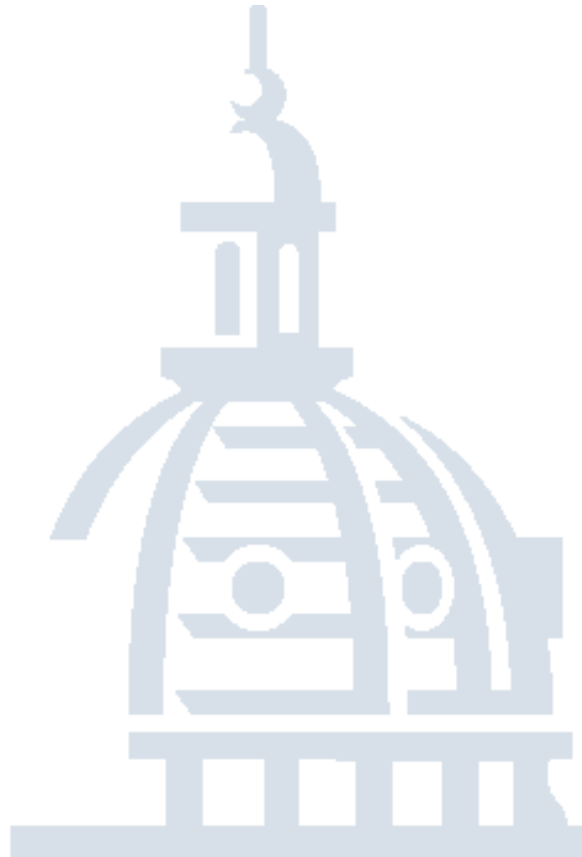


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**TRANSPORTATION, INFRASTRUCTURE, AND  
CAPITALS APPROPRIATIONS SUBCOMMITTEE  
DETAILED ANALYSIS OF THE  
FY 2010 GOVERNOR'S RECOMMENDATIONS**



**FISCAL SERVICES DIVISION**

**FEBRUARY 2009**



**LEGISLATIVE  
SERVICES AGENCY**

*Serving the Iowa Legislature*

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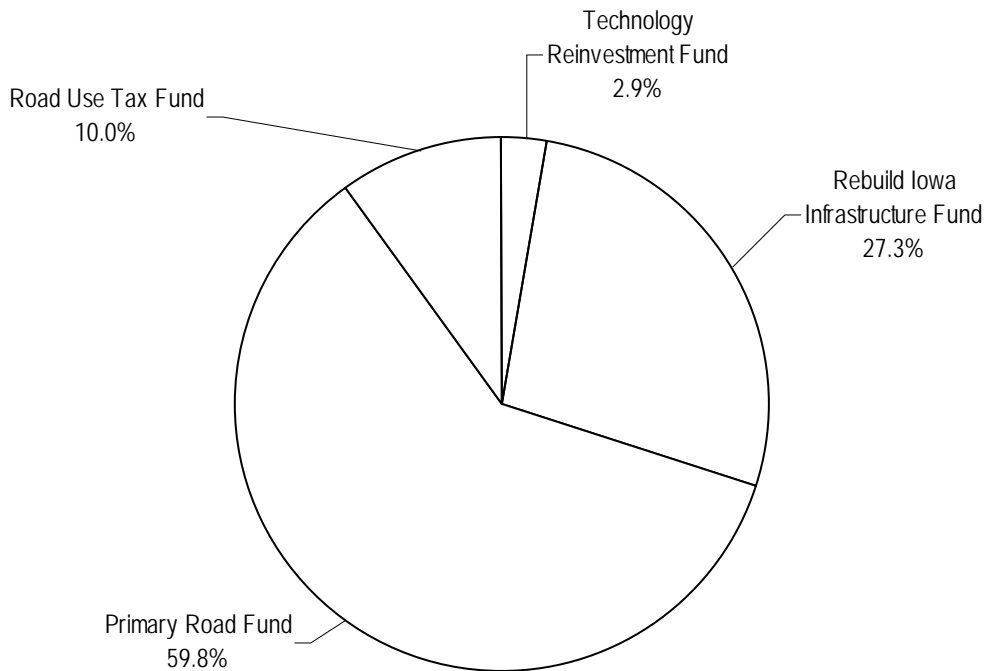
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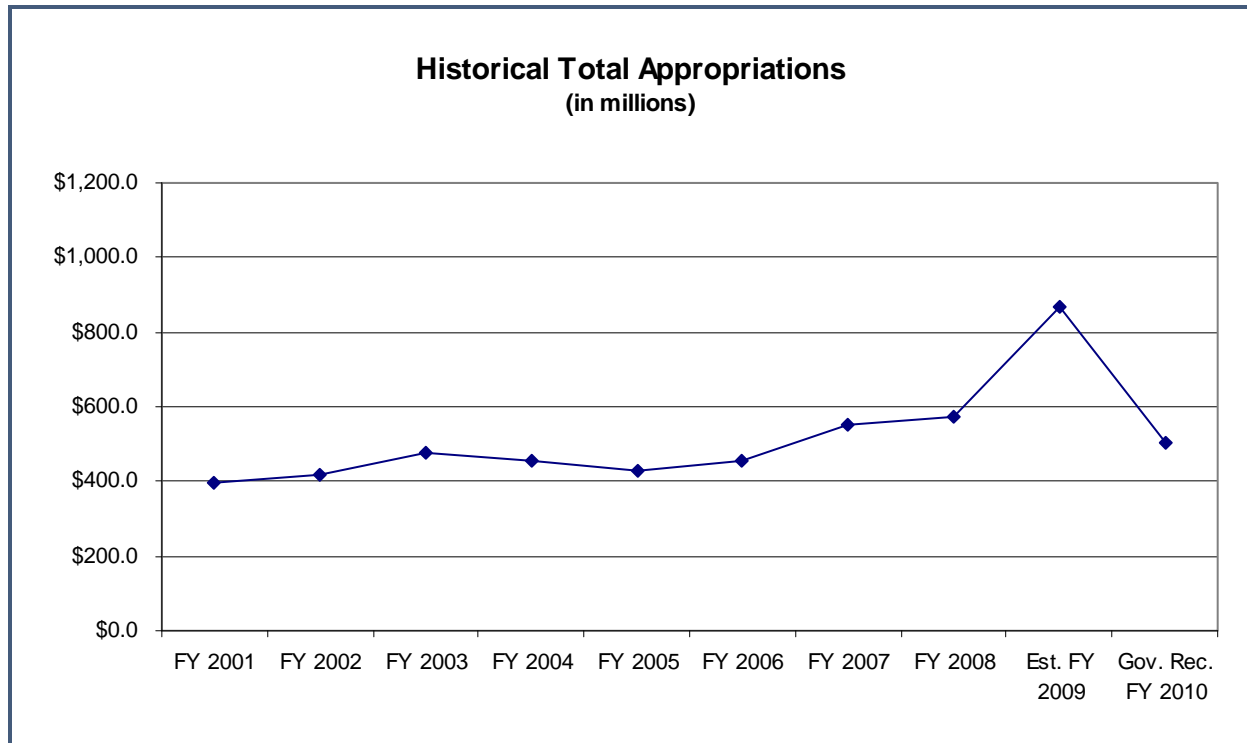
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## TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS APPROPRIATIONS SUBCOMMITTEE

**FY 2010 Governor's Recommendations  
by Funding Source**



Rebuild Iowa Infrastructure Fund	\$	138,252,412
Primary Road Fund		302,445,918
Road Use Tax Fund		50,414,182
Technology Reinvestment Fund		14,672,543
Total	\$	505,785,055



## FY 2010 GOVERNOR'S RECOMMENDATIONS

### Department of Transportation

The Department of Transportation's (DOT's) mission is to serve the public by advocating and delivering transportation service that supports the economic, environmental, and social vitality of Iowa. The Department consists of five operating divisions: Operations and Finance; Planning, Programming, and Modal; Motor Vehicle; Information Technology; and Highway. The four operating budget units that receive appropriations to fund the divisions include: Operations, Planning and Programming, Motor Vehicle, and Highway. In addition to the operating budget units, the DOT receives Special Purpose and Capital appropriations that are not part of the operating divisions, but are essential for operation of the Department.

The Governor is recommending FY 2010 appropriations totaling \$352.8 million. This is an increase of \$16.1 million (4.8%) compared to estimated FY 2009. The total recommendation includes \$50.4 million from the Road Use Tax Fund and \$302.4 million from the Primary Road Fund.

**Road Use Tax Fund and Primary Road Fund Recommendations**

	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs. FY 2009
<b>Transportation, Department of</b>			
<b>Road Use Tax Fund</b>			
Drivers' Licenses	\$ 3,047,000	\$ 4,195,000	\$ 1,148,000
Operations	6,524,336	6,657,336	133,000
Planning & Programming	501,515	506,515	5,000
Motor Vehicle	35,184,012	36,752,012	1,568,000
Department of Administrative Services (DAS)	183,000	225,000	42,000
Unemployment Compensation	17,000	7,000	-10,000
Workers' Compensation	117,000	142,000	25,000
Indirect Cost Recoveries	102,000	78,000	-24,000
Auditor Reimbursement	64,082	67,319	3,237
County Treasurers Support	1,442,000	1,394,000	-48,000
Road/Weather Conditions Info	100,000	100,000	0
Mississippi River Park. Comm.	61,000	40,000	-21,000
I-35 Corridor Coalition	50,000	50,000	0
Overdimension Permitting System	1,000,000	0	-1,000,000
Scale/MVD Field Facilities Maintenance	200,000	200,000	0
<b>Subtotal - Road Use Tax Fund</b>	<b>\$ 48,592,945</b>	<b>\$ 50,414,182</b>	<b>\$ 1,821,237</b>
<b>Primary Road Fund</b>			
Operations	\$ 40,653,860	\$ 40,890,860	\$ 237,000
Planning & Programming	9,616,696	9,611,696	-5,000
Highway	223,274,176	236,263,176	12,989,000
Motor Vehicle	2,020,005	1,555,005	-465,000
Department of Administrative Services (DAS)	1,121,000	1,382,000	261,000
DOT Unemployment	328,000	138,000	-190,000
DOT Workers' Compensation	2,814,000	3,406,000	592,000
Garage Fuel & Waste Mgmt.	800,000	800,000	0
Indirect Cost Recoveries	748,000	572,000	-176,000
Auditor Reimbursement	395,218	415,181	19,963
Transportation Maps	242,000	242,000	0
Inventory & Equip.	2,250,000	2,250,000	0
Field Facility Deferred Maint.	500,000	1,000,000	500,000
Utility Improvements	400,000	400,000	0
Garage Roofing Projects	200,000	200,000	0
HVAC Improvements	100,000	100,000	0
ADA Improvements	120,000	120,000	0
Ames Elevator Upgrade	100,000	100,000	0
Rockwell City Garage	0	3,000,000	3,000,000
Waukon Garage	2,500,000	0	-2,500,000
<b>Subtotal - Primary Road Fund</b>	<b>\$ 288,182,955</b>	<b>\$ 302,445,918</b>	<b>\$ 14,262,963</b>
<b>Total Department of Transportation</b>	<b>\$ 336,775,900</b>	<b>\$ 352,860,100</b>	<b>\$ 16,084,200</b>

Significant recommendations for the Operations budget include:

- An increase of \$225,000 for the transfer of 3.0 FTE positions and funding from the Motor Vehicle budget to the Operations budget unit for the Information Technology (IT) Division. The positions and funding will be used to assist in the overdimension permitting system upgrade. The

total cost of the upgrade is \$2.0 million and includes hiring an outside contractor. The DOT received an appropriation of \$1.0 million in FY 2009 for the system upgrade. The remaining cost will be funded within the Department's existing budget.

- An increase of \$145,000 to fund a 2.5% Statewide facility lease increase and 8.0% utility increase at the Ames complex.

Significant recommendations for the Highway budget include:

- An increase of \$7.3 million for road salt costs (see [Salt Shortage](#) in the Issues section below for more information). During the 2008 Legislative Session, the Department received an FY 2008 supplemental appropriation of \$9.7 million for labor, fuel, and salt costs associated with winter road maintenance.
- An increase of \$5.6 million for fuel costs.
- An increase of \$119,000 for support to maintain 82 additional lane miles added to the State system.

Significant recommendations for the Motor Vehicle budget include:

- An increase of \$1.1 million for staffing costs associated with implementation of identity theft protection (see [REAL ID](#) in the Issues section below for more information).
- An increase of \$180,000 for fuel costs.
- A decrease of \$225,000 for the transfer of 3.0 FTE positions and funding from the Motor Vehicle budget unit to the Operations budget unit for the IT Division. Additional information about this recommendation is mentioned under the Operations budget unit.

Significant special purpose recommendations include:

- Driver's License Equipment Lease – An increase of \$1.1 million for the following:
  - \$162,000 for electronic processing of the fees collected from driver's licenses, non-operator identification cards, and civil penalties from January 2010 through June 2010 (see [Electronic Payment of Fees](#) in the Issues section below for more information).
  - \$986,000 for postage and new security features related to driver's license issuance (see [REAL ID](#) in the Issues section below for more information).

Note: The \$986,000 recommendation includes funding for the central issuance of driver's licenses; central issuance will satisfy one of the security requirements of REAL ID. Originally, a portion of this recommendation was intended to fund expenses related to physical security features on driver's licenses, as required by REAL ID. Since the recommendations were submitted, the U.S. Department of Homeland Security modified the security requirements, providing for a less expensive method. As a result, \$505,000 is the amount needed by the Iowa DOT to fund postage and new security features. This includes \$122,825 for an increase in driver's licenses and non-operator identification cards, and \$382,500 for postage.

- Workers' Compensation – An increase of \$617,000 for an increase in workers' compensation premiums.

Significant capitals recommendations include:

- New Garage – A recommendation of \$3.0 million to construct a new maintenance garage in Rockwell City. The Department is typically provided an annual appropriation for a new maintenance garage. For FY 2009, \$2.5 million was appropriated for a new garage in Waukon.

Other recommendations include:

- Auditor Reimbursement – An increase of \$23,000 for a projected increase in audit costs. Following the DOT's submission of their FY 2010 budget, the State Auditor submitted FY 2010 billing costs to the DOT that included an increase of \$23,000.

## Issues

**FY 2009 Budget Reductions** – Since the DOT's budget does not include General Fund dollars, the Department is not subject to the Governor's 1.5% across-the-board reduction. In December, however, the Department internally implemented 1.4% in cuts totaling \$4.5 million from the Road Use Tax Fund and Primary Road Fund. The reductions were made to selected areas and not across-the-board. Reductions include reducing some material purchases, delaying some facility improvement projects, delaying some software purchases, and some targeted hiring and travel restrictions. Additional cuts may be implemented later in the year.

**Federal Economic Stimulus Plan 2009** – As of January 21, the American Recovery and Reinvestment Act of 2009 provides a total of \$43.1 billion to the U.S. Department of Transportation. No state matching funds are required, with the exception of aviation, which requires a 5.0% state match. The \$43.1 billion is allocated as follows:

- Highways: \$30.0 billion – Eligible purposes include funding for a wide range of improvements on the federal aid system, including trail projects.
- Transit: \$9.0 billion – Of this amount, \$6.0 billion is to be used for transit capital projects, \$2.0 billion for fixed guideways,\* and \$1.0 billion for New Start programs.\*
- Rail: \$1.1 billion – Eligible purposes include \$800.0 million for Amtrak\* and \$300.0 million for intercity passenger rail.
- Aviation: \$3.0 billion – Eligible purposes include the Airport Improvement Program.

*\* Iowa is not eligible for or will likely not receive funding.*

Iowa's share of the above allocations is as follows:

- Highways: \$353.1 million – Of this amount, \$235.4 million would be allocated to the State DOT and \$117.7 million to local governments.
- Transit: \$31.5 million
- Rail: Unknown
- Aviation: Unknown

The Iowa DOT is currently identifying eligible projects to be funded from the Federal Stimulus Plan.

**Electronic Payment of Fees** – Beginning January 2010, the DOT and county treasurer offices will start collecting electronic payment for driver's licenses, non-operator identification cards, and civil penalties. House File 2196 (Department of Transportation Electronic Payment Act), enacted during the 2008 Legislative Session, requires the Department to review current payment methods and consider offering electronic payment. The findings and recommendations were reported to the House and Senate Transportation Standing Committees in December 2008.

The report's findings indicated that the estimated cost of covering credit and debit card transaction fees range from \$249,000 to \$434,000 annually for driver's licenses, nonoperator identification cards, and civil penalties. The estimate is based on the State Treasurer's current credit card contract, and on information



provided by Wells Fargo Merchant Services for current fees charged by debit card networks. The estimate does not include the cost of hardware and software used to process transactions, which are unknown.

The report's recommendations included the following:

- Implement the acceptance of MasterCard and Discover credit and debit cards at State and county driver's license stations effective January 2, 2010.
- Change the Code of Iowa to allow for a convenience fee to be assessed to customers that wish to use a MasterCard or Discover Card to pay for their driver's license, non-operator identification card, or civil penalties.
- Annually appropriate from the Road Use Tax Fund to the DOT sufficient funds to cover the costs of accepting credit and debit cards at State and county driver's license stations.

*The Governor is recommending \$162,000 for electronic processing of driver's licenses, non-operator identification card fees, and civil penalties from January 2010 through June 2010 at DOT sites. In addition, of the total \$1.4 million recommended for county treasurer support, \$87,000 would be used for processing electronic payments at county treasurer sites, for a total of \$249,000 recommended for electronic processing for FY 2010.*

**REAL ID** – The federal REAL ID Act was enacted on May 11, 2005. The Act created national standards for the issuance of state driver's licenses and non-operator identification cards, and required states to implement REAL ID by May 11, 2008. After that date, the federal government would no longer recognize a state's driver's license or non-operator identification card for federal purposes, including boarding commercial aircraft, unless it met the national standards, or was granted an extension. Iowa requested and was granted an extension.

According to the National Conference of State Legislatures (NCSL), all 56 U.S. jurisdictions have received an extension. The extension ends on December 31, 2009. States must be in full compliance by that date, or request a second extension by October 11, 2009. The second extension, ending May 11, 2011, will be granted if the state is in "material compliance" with 18 benchmarks established by the Department of Human Services (DHS). Absent a change in federal law or rule as of December 1, 2014, any individual born after December 1, 1964, that flies commercially and uses a driver's license or non-operator identification card, must have a REAL ID-compliant document. By December 1, 2017, all individuals, regardless of age, must have the credential. (Other forms of identification will be accepted, including passports.)

*The Governor's FY 2010 recommendation of \$1.1 million for implementation of identity theft protection and \$986,000 for postage and new security features when issuing driver's licenses will assist in meeting the remaining benchmarks. The DOT is also working with the driver's license vendor and partners in the 81 county treasurer offices on methods to reduce implementation costs and improve the process. Based on the draft rule released in 2007 by the U.S. DHS, the DOT estimated implementation costs to be \$22.0 million annually. With the final rule and changes under consideration, that number is no longer valid. To date, Iowa has received \$1.2 million in the form of an FFY 2008 REAL ID Demonstration Grant.*

**Salt Shortage** – Iowa is among other Midwestern states that are experiencing a road salt shortage. Last winter's severe weather has reduced supplies at salt company storage facilities, causing a shortage of salt available to states, cities, and counties. Other factors affecting the shortage of salt include fuel costs and flooding on the Mississippi River. Barges that transport salt were delayed due to storms and hurricanes, shortening the delivery season.

The salt shortage has resulted in increased salt costs. The Iowa DOT paid an average of \$50 per ton last year, and around \$63 per ton this year. The Department currently has approximately 200,000 tons in storage, and has contracts in place to purchase additional salt throughout the winter. Last year, the Department used an estimated 300,000 tons of salt. The DOT surveyed local governments in early September to assess the impact of the salt shortage across the State. The results indicated numerous cities and counties were unable to secure salt contracts or had an insufficient supply. Salt brokers are quoting prices as high as \$145 per ton. The results also indicated that local governments need an additional 36,000 tons of salt Statewide. Based on the DOT's experience with recent salt lettings, including high to no bids and limited to no availability, the Department is assisting local governments to the extent possible by providing half of the 36,000 tons needed at a cost of \$70 per ton. Cities and counties will be responsible for arranging the transportation, but the DOT is attempting to make the salt available at nearby DOT garages if possible. The Department is unable to meet all local demands, since there are 31 DOT garages without salt contracts that need to be resupplied during the winter.

**Federal Highway Trust Fund** – In recent years, the Congressional Budget Office (CBO) predicted that the Highway Account of the Highway Trust Fund would experience a negative balance at the end of FFY 2009 (September 2009). To remedy the situation, the U.S. House passed H.R. 6532 (Restoring the Highway Trust Fund Balance Act) in July 2008. The Bill transferred \$8.0 billion from the General Fund to the Highway Account. No further action was taken until September 2008, when the U.S. Department of Transportation announced that the Account would reach a negative balance sooner than expected, by October 1, 2008. On September 11, Congress passed H.R. 6532, and the President signed the bill on September 15, 2008.

When the Highway Account shortfall was first announced, and prior to enactment of H.R. 6532, some states postponed project lettings out of concern that federal reimbursements would be delayed. Iowa was not one of those states. When H.R. 6532 was originally introduced in July, the \$8.0 billion was considered sufficient to satisfy the Highway Account through FFY 2009. In recent months, however, with the continued decrease in vehicle miles of travel (VMT), it is unknown if this amount will be enough. The main source of revenue to the Highway Trust Fund is a federal gas tax of 18.4 cents per gallon.

In addition to the Highway Account, a portion of the Highway Trust Fund is dedicated to the Mass Transit Account. This Account is predicted to experience a shortfall in FFY 2010. The Highway Trust Fund is being monitored closely by the Administration and Congress to determine if it is at risk of experiencing a shortfall before the end of FFY 2009.

### **Infrastructure and Capital Recommendations**

The Governor is recommending a total of \$153.0 million for infrastructure-related projects and programs for FY 2010. This is a decrease of \$346.1 million compared to estimated FY 2009. Primary infrastructure funding sources for FY 2010 include the Rebuild Iowa Infrastructure Fund (RIIF) and the Technology Reinvestment Fund. Of the \$153.0 million in recommendations, \$138.3 million is being recommended from the RIIF and \$14.7 million from the Technology Reinvestment Fund.

Infrastructure funding was at a record high in FY 2009, and included the creation of two new funds to receive the net proceeds of specific bond issuances. Those funds, the FY 2009 Restricted Capital Fund (RC3) and the FY 2009 Prison Bonding Fund (PBF), were expected to provide proceeds totaling \$183.0 million and \$131.0 million, respectively. As of January 2009, the bond issuance for the RC3 had not occurred due to market conditions and the \$182.8 million in appropriations were on hold awaiting the funds.

## Transportation, Infrastructure, and Capitals Appropriations Subcommittee

The Governor is recommending a change in infrastructure funding sources by using \$156.0 million of an estimated \$700.0 million in bond proceeds from the proposed Rebuild Iowa Infrastructure Investment Bonds to provide funding for most of the FY 2009 projects that had been funded from the RC3.

Furthermore, the Governor's decrease in recommendations in infrastructure funding for FY 2010 is a result of this new bonding proposal because the expectation is that the remaining \$544.0 million will provide funding for FY 2010 infrastructure-related projects. For a discussion on this proposal, see the section *Governor's Bonding Proposal* in this document.

### Rebuild Iowa Infrastructure Fund Recommendations

	Estimated FY 2009	Gov Rec FY 2010	FY 2010 vs. Est. FY 2009
<b><u>Administrative Services</u></b>			
DGS-Routine Maintenance	\$ 3,000,000	\$ 0	-3,000,000
New State Office Building	0	5,000,000	5,000,000
DAS Distribution Account	2,000,000	3,000,000	1,000,000
Property Acquisition	1,000,000	0	-1,000,000
Capitol Shuttle	170,000	0	-170,000
Cap. Complex Master Plan	250,000	0	-250,000
I3 RFP for Human Resources Module	200,000	0	-200,000
Project Manager IVH	200,000	0	-200,000
<b>Total Administrative Services</b>	<b>\$ 6,820,000</b>	<b>\$ 8,000,000</b>	<b>\$ 1,180,000</b>
<b><u>Agriculture and Land Stewardship</u></b>			
IA Jr. Gelbvieh Association	\$ 10,000	\$ 0	\$ -10,000
<b>Total Agriculture and Land Stewardship</b>	<b>\$ 10,000</b>	<b>\$ 0</b>	<b>\$ -10,000</b>
<b><u>Corrections</u></b>			
CBC Des Moines Expansion	\$ 200,000	\$ 0	-200,000
Project Manager Corrections Construction	500,000	1,750,000	1,250,000
DOC A & E Funding	1,000,000	0	-1,000,000
<b>Total Corrections</b>	<b>\$ 1,700,000</b>	<b>\$ 1,750,000</b>	<b>\$ 50,000</b>
<b><u>Cultural Affairs</u></b>			
Great Places Capitals	\$ 2,000,000	\$ 1,900,000	\$ -100,000
Historic Preservation Grants	1,000,000	0	-1,000,000
Battle Flags	220,000	0	-220,000
Kimball Organ Restoration	80,000	0	-80,000
<b>Total Cultural Affairs</b>	<b>\$ 3,300,000</b>	<b>\$ 1,900,000</b>	<b>\$ -1,400,000</b>
<b><u>Economic Development</u></b>			
Grow Iowa Values Fund	\$ 50,000,000	\$ 47,500,000	\$ -2,500,000
Community Attraction & Tourism Grant	12,000,000	10,000,000	-2,000,000
River Enhancement Comm Attraction & Tourism (RECAT)	10,000,000	0	-10,000,000
Workforce Training and Economic Development	2,000,000	0	-2,000,000
ACE Infrastructure	900,000	900,000	0
Innovation & Commercialization Infrastructure	900,000	0	-900,000
Regional Sports Authorities	500,000	0	-500,000
Des Moines Multiuse Comm. Ctr	100,000	0	-100,000
<b>Total Economic Development</b>	<b>\$ 76,400,000</b>	<b>\$ 58,400,000</b>	<b>\$ -18,000,000</b>

**Transportation, Infrastructure, and Capitals Appropriations Subcommittee**

	<u>Estimated FY 2009</u>	<u>Gov Rec FY 2010</u>	<u>FY 2010 vs. Est. FY 2009</u>
<b><u>Education</u></b>			
Enrich Iowa	\$ 1,000,000	\$ 1,000,000	0
Ag. Learning Center (EICC)	80,000	0	-80,000
Iowa Learning Technologies	250,000	0	-250,000
<b>Total Education</b>	<b>\$ 1,330,000</b>	<b>\$ 1,000,000</b>	<b>\$ -330,000</b>
<b><u>Human Services</u></b>			
Nursing Facility Renov. & Const	\$ 600,000	\$ 0	-600,000
Child Care Workgroup	30,000	0	-30,000
Child Dev. Health Ins Study	50,000	0	-50,000
Comm. & Family Resource Center	15,000	0	-15,000
<b>Total Human Services</b>	<b>\$ 695,000</b>	<b>\$ 0</b>	<b>\$ -695,000</b>
<b><u>Iowa Finance Authority</u></b>			
IFA Water Quality Grants-RIIF	\$ 3,000,000	\$ 0	\$ -3,000,000
State Housing Trust Fund-RIIF	3,000,000	3,000,000	0
<b>Total Iowa Finance Authority</b>	<b>\$ 6,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ -3,000,000</b>
<b><u>Natural Resources</u></b>			
Floodplain Management/Dam Safety	\$ 0	\$ 3,000,000	3,000,000
Lowhead Dam Program	1,000,000	0	-1,000,000
Lake Delhi Improvements	100,000	0	-100,000
Plasma Arc Technology	150,000	0	-150,000
<b>Total Natural Resources</b>	<b>\$ 1,250,000</b>	<b>\$ 3,000,000</b>	<b>\$ 1,750,000</b>
<b><u>Public Defense</u></b>			
Statewide Armory Modernization Improvements	\$ 1,800,000	\$ 1,800,000	0
Facility/Armory Maintenance	1,500,000	900,000	-600,000
Gold Star Museum	2,000,000	1,000,000	-1,000,000
Camp Dodge Water Project Phase 3	410,000	0	-410,000
Camp Dodge Electrical Distribution	526,000	0	-526,000
Ottumwa Armory	500,000	0	-500,000
STARCOMM	1,600,000	0	-1,600,000
<b>Total Public Defense</b>	<b>\$ 8,336,000</b>	<b>\$ 3,700,000</b>	<b>\$ -4,636,000</b>
<b><u>Public Health</u></b>			
Vision Screening	\$ 130,000	\$ 0	\$ -130,000
<b>Total Public Health</b>	<b>\$ 130,000</b>	<b>\$ 0</b>	<b>\$ -130,000</b>
<b><u>Regents</u></b>			
Tuition Replacement	\$ 24,305,412	\$ 24,305,412	\$ 0
ISU Veterinary Laboratory	1,800,000	0	-1,800,000
ISU - Renewable Fuels Building	14,756,000	11,597,000	-3,159,000
ISU-Midwest Grape & Wine Institute	50,000	0	-50,000
SUI Hygienic Laboratory	12,000,000	0	-12,000,000
SUI-Inst. for Biomedical Discovery	10,000,000	10,000,000	0
<b>Total Regents</b>	<b>\$ 62,911,412</b>	<b>\$ 45,902,412</b>	<b>\$ -17,009,000</b>
<b><u>Revenue, Dept. of</u></b>			
SAVE Appropriation	\$ 10,000,000	\$ 10,000,000	\$ 0
<b>Total Revenue, Dept. of</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ 0</b>

## Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2009	Gov Rec FY 2010	FY 2010 vs. Est. FY 2009
<b><u>Transportation</u></b>			
Rail Revolving Loan & Grant Fund	\$ 2,000,000	\$ 0	-2,000,000
Recreational Trails	3,000,000	0	-3,000,000
General Aviation Grants	750,000	0	-750,000
Depot platform at Dubuque	300,000	0	-300,000
<b>Total Transportation</b>	<b>\$ 6,050,000</b>	<b>\$ 0</b>	<b>\$ -6,050,000</b>
<b><u>Treasurer of State</u></b>			
Watershed Improvement Fund	\$ 5,000,000	\$ 0	\$ -5,000,000
County Fair Improvements	1,590,000	0	-1,590,000
<b>Total Treasurer of State</b>	<b>\$ 6,590,000</b>	<b>\$ 0</b>	<b>\$ -6,590,000</b>
<b><u>Veterans Affairs</u></b>			
Vet. Home Ownership Assistance	\$ 1,600,000	\$ 1,600,000	\$ 0
Iowa Veterans Home Capitals Request	0	0	0
Iowa Department of Veterans Affairs Capital Improvements	0	0	0
Veterans Home Infrastructure Improvements and Const.	0	0	0
Veterans Home Ownership Assistance	0	0	0
<b>Total Veterans Affairs</b>	<b>\$ 1,600,000</b>	<b>\$ 1,600,000</b>	<b>\$ 0</b>
<b>Total Rebuild Iowa Infrastructure Fund Requests</b>	<b>\$ 193,122,412</b>	<b>\$ 138,252,412</b>	<b>\$ -54,870,000</b>

### Governor's Recommended Changes to FY 2009 Infrastructure Funding

The Governor is recommending supplemental appropriations that shift funding of FY 2009 infrastructure projects. First, the Governor is recommending the deappropriation of \$36.9 million remaining from an FY 2007 appropriation in the Endowment for Iowa's Health Restricted Capitals Fund (RC2). This appropriation was the first of several years of funding planned for the new State office building. Under the Governor's budget, \$40.1 million in the RIIF projects are moved to the RC2 for FY 2009 and then \$37.0 million from the RIIF is transferred to the General Fund. The funding shifted from the RIIF to the RC2 includes the balance of unobligated funds from prior year appropriations in addition to the FY 2009 projects. Second, the Governor is recommending shifting the \$4.9 million from the RC3 to the RIIF for the Honey Creek Resort for FY 2009. For a discussion on the status of the new State office building and Honey Creek Resort, see the *Issues* section below.

**FY 2009 RC2 Recommendations**

	Current Law FY 2009	Gov Rec FY 2009
<u><b>Endowment for Iowa's Health Restricted Capitals Fund (RC2)</b></u>		
DAS - Install Pre-Heat Piping	\$ 300,000	\$ 300,000
DAS - Cap. Complex Alternative Energy System	200,000	200,000
DAS - New State Office Building	0	-36,923,898
DOC - Capitals Request	0	2,797,376
DOC - CBC Davenport Facility	0	3,458,217
DED - ACE Infrastructure	4,600,000	9,725,000
DPS - Regional Fire Training Facility	0	2,000,000
Regents - SUJ Institute Biomedical Discovery	0	15,414,722
Regents - ISU Biorenewables Building	0	11,277,000
<b>Total Endowment for Iowa's Health Restricted Capitals Fund</b>	<b>\$ 5,100,000</b>	<b>\$ 8,248,417</b>

**Issues**

**Status of Tobacco Securitization and Options for FY 2010** – During the 2008 Legislative Session, the General Assembly approved SF 2432 (FY 2009 Infrastructure Appropriations Act) authorizing the Tobacco Settlement Authority to issue tax-exempt bonds against the remaining 22.0% of the tobacco payments from the Master Settlement Agreement that had not been securitized and were being deposited in the Endowment for Iowa's Health Account. The legislation created the FY 2009 Tax-Exempt Restricted Capital Fund (RC3) to receive an estimated \$183.0 million in net proceeds from the securitization. The legislation also appropriated a total of \$182.8 million from the Fund for individual projects. The following table shows the appropriations by Department.

<b>Tobacco Settlement Trust Fund</b>	
<b>FY 2009 Tax-Exempt Restricted Capital Fund (RC3)</b>	
(Dollars in Millions)	
	Estimated FY 2009
<b>Resources</b>	
Beginning Balance	\$ 0.0
Bond Proceeds	183.0
Total Available Resources	\$ 183.0
<b>Appropriations</b>	
Department of Administrative Services	\$ 58.4
Department of the Blind	0.9
Department of Corrections	75.4
Department of Education	2.0
Department of Natural Resources	14.8
Board of Regents	2.0
State Fair Authority	5.0
Department of Transportation	3.7
Department of Veterans Affairs	20.7
<b>Total Appropriations</b>	\$ 182.8
<b>Ending Balance</b>	\$ 0.2
Numbers may not add to total due to rounding.	

As of January 1, 2009, the bonds have not been issued due to the financial market crisis and tight credit conditions. In addition, there are increased concerns about the stability of the revenue stream from tobacco payments due to the increases in the cigarette tax in several states, a potential increase to the Federal Excise Tax on cigarettes, and declining tobacco consumption in the United States. Furthermore, the enacting legislation required the bond issuance to generate net proceeds totaling \$183.0 million. If this dollar threshold cannot be achieved, the securitization will not occur. As of November 2008, the projections for net proceeds ranged from \$146.0 to \$168.0 million, at interest rates above 9.0%. The financial advisor for the planned securitization considers the \$146.0 million to be the more realistic projection given the current market conditions.

At the December 2008 meeting of the Tobacco Settlement Authority, a couple options for continuing with the bond issuance were suggested by the Treasurer's Office and the financial advisor. The first would be to amend the 2008 authorization for securitization and reduce the \$183.0 million net proceed requirement to an amount that is better aligned with market feasibility. If the amount is lowered, several projects will need to be eliminated or shifted to other funding sources where possible to adjust for the reduced bond proceeds.

The second option involves amending the 2008 authorization by changing the structure of the bond financing to provide for a type called an "appropriation bond." This bond does not require the State to pledge taxes and resources as for a General Obligation (GO) bond, nor does it require a designated revenue stream as the typical revenue bond. This type of bond has not been used in Iowa before. Although the appropriation bond does not have the requirements as GO bonds or revenue bonds, the



State will effectively be pledged to provide revenue for the life of the debt to maintain bond ratings and credit quality. According to the Treasurer's Office, an appropriation bond allows the State to shift the revenue stream as necessary. For example, the State could initially use the unsecuritized tobacco payments as the revenue stream, but could shift to an alternate resource if that revenue is not viable at a later date. As of January 2009, the Treasurer's Office suggests that this option has a better market and would provide the lowest interest rates. Furthermore, if the unsecuritized tobacco payments are used for the debt service, any amount not required to make that payment could be used for other budgetary purposes.

The Treasurer's Office advises that it can move quickly to issue the bonds and provide net proceeds by early spring 2009, if the General Assembly approves legislation providing a change to the 2008 authorization that is effective upon enactment.

While the General Assembly considers options for RC3 funding, the Subcommittee may want to consider alternate funding mechanisms for some of the projects. There are a couple considerations related to the RC3 projects. The reversion date on all of the projects in the RC3 is not until the end of FY 2012, so if the change in the bonding authorization is completed during calendar year 2009, the departments will have several years of funding remaining. Most of the projects in the RC3 are for multi-year construction and improvements and would be able to utilize these funds even if they are delayed.

Moreover, projects in the RC3 meet the restrictions necessary for the tobacco funds. Specifically, they are planned for depreciable assets with relatively long useful lives, will not be used for private activity, and would meet U.S. Internal Revenue Service scrutiny of restricted capital funds. If there is an opportunity or need to use other tobacco fund moneys for projects, the ones in RC3 are all suitable. See discussion below under *New State Office Building* for more information about this potential opportunity.

*The Governor is recommending shifting projects from the RC3 to the proposed \$700.0 million Rebuild Iowa Infrastructure Investment Program. The Governor's recommendations include shifting most of the projects, but alters some of the amounts for them. The recommendations reduce the \$182.8 million to \$156.0 million primarily by removing the \$20.0 million for the new State office building.*

**Status of FY 2009 Prison Bonding Fund** - During the 2008 Legislative Session, SF 2432 (FY 2009 Infrastructure Appropriations Act) authorized the Treasurer's Office to issue tax-exempt bonds for prison construction projects, specifically the new Iowa State Penitentiary (ISP) at Fort Madison. The Act created a new FY 2009 Prison Bonding Fund (PBF) to receive the expected net proceeds of \$131.0 million from the bond issuance. In January 2009, the Treasurer's Office advised that the planned issuance has changed slightly. Originally, the issuance was scheduled for series in 2010 and 2012, but updated plans are to issue the new prison bonds in two series in 2009 and 2011. Total debt for the new prison bonds is expected to be \$234.0 million. The bond issuance has been structured so that annual debt service will remain at a fixed rate of approximately \$16.3 million per year from FY 2011 through FY 2027. The first payment in FY 2010 will be \$400,000. Payments for the new debt service will be made from the Prison Infrastructure Fund.

Debt service for existing prison construction bonds is paid from the Prison Infrastructure Fund as well. Section 602.8108A, Code of Iowa, requires deposit of the first \$9.5 million in court fines and other Judicial Branch revenue into the Fund. The current annual debt service totals \$8.4 million. The portion of the \$9.5 million not used for debt service is transferred to the General Fund each year. Beginning in FY 2011, an estimated additional \$8.5 million will need to be transferred from Judicial Branch revenue to the Prison Infrastructure Fund to ensure debt service payments and coverage for the rating agency. Any



remaining funds will transfer to the General Fund as before. In December 2008, the Revenue Estimating Conference estimated FY 2009 and FY 2010 Judicial Branch revenue will be \$95.0 and \$99.0 million, respectively.

As of January 2009, the planned bond issuance for the PBF remains on target. The Department of Corrections received an FY 2009 appropriation of \$130.7 million from the PBF for the Fort Madison ISP project. The appropriation does not revert until the end of FY 2013.

**New State Office Building** – In the aftermath of the 2008 flooding, there appears to be a consensus that the State will not move forward with the new State office building, at least not in the next few years. While it has not been officially decided, there has been discussion of potential use of the appropriations intended for the building. The appropriations have changed over the last few years, but are as follows:

- \$37,585,000 from the RC2 in FY 2007.
- \$20,000,000 from the RC3 for FY 2009.
- \$12,657,100 from the RIIF for FY 2010.

Originally, the appropriations were planned to total \$77.1 million, but with deappropriations and changes made during the 2008 Legislative Session, the new total is \$70.2 million. As of January 2009, a total of \$36.9 million of the FY 2007 appropriation is unobligated. The appropriation is from the RC2 restricted capital funding and should be used on projects that meet the restrictions. Furthermore, the RC2 funds need to be expended by November 2010; this is a requirement in the tax certificate for tax-exempt status. If the RC3 does not receive bond proceeds, the remaining amount from the FY 2007 appropriation could be a good source for funding some of those projects. If the RC3 does receive the proceeds, the \$20.0 million from the FY 2009 appropriation will have the same restrictions as discussed above, and must be used in accordance with the requirements of its restricted capital status. The \$12.7 million from the RIIF may be used, but if the use does not meet the definition of “vertical infrastructure” as defined in Section 8.57(6)(c), Code of Iowa, it will require notwithstanding language.

*The Governor is recommending deappropriating the FY 2007 appropriation from the RC2 and the FY 2009 appropriation from the RC3. As discussed above, the Governor is using the deappropriation of the FY 2007 funding to shift projects from the RIIF to the RC2. Although the Governor is recommending the deappropriation of the FY 2007 and FY 2009 funding, there is an appropriation for the new State office building for FY 2010. The Governor’s recommendations decrease the appropriation from \$12.7 million to \$5.0 million. According to the Department of Management, this FY 2010 funding is for planning purposes for the new State office building, so the Governor is recommending postponing rather than cancelling the project.*

**Mercy Capitol Purchase** – The DAS negotiated with Catholic Health Initiatives – Iowa Corp. for the purchase of the Mercy Capitol Hospital property, located north of the Capitol Complex. The Department proposed the Mercy Hospital purchase for several reasons including providing land for parking for the new State office building and additional work space to relocate employees. The total parcel to be purchased includes 4.7 acres for a price of \$4.5 million. The DAS received \$3.4 million from the RC3 in FY 2009 for the purchase. The legislation included intent language for the DAS to use other funds already appropriated to complete the purchase. The expectation was that the DAS would use the FY 2009 appropriation of \$1.0 million for property acquisition for this purpose, as well as some funding from prior appropriations. The initial exchange of property was the exchange of parking lots. This was completed in the summer of 2008. The next phase is settlement on the hospital property. This is planned for December 2009. The DAS indicates that the purchase will continue as planned even if the new State office building is postponed indefinitely. If the securitization of the tobacco payments does not occur to provide proceeds to the RC3, the Subcommittee may wish to consider another means for funding this

part of the purchase. In addition, in the aftermath of the 2008 flooding, the Governor transferred \$1.0 million from the FY 2009 property acquisition appropriation to the Jumpstart Initiative. A supplemental appropriation for the purchase of the hospital may be necessary if the funds are not returned for their original purpose. *The Governor is recommending shifting the funding for the purchase from the RC3 to the new Rebuild Iowa Infrastructure Investment Program and increasing it to \$3.9 million.*

**Honey Creek Destination Park** – The Honey Creek Premier Destination Park Authority issued bonds to provide net proceeds of up to \$28.0 million for the development of the Honey Creek Destination Park located at Lake Rathbun. The bond indenture required construction of the Park to include a 105-room lodge, a restaurant, an aquatic center and conference facility, an 18-hole golf course, family and group cabins, a sewer facility, a boat ramp, and docking facilities. During the 2008 Legislative Session, the Department of Natural Resources (DNR) requested an additional \$8.0 million because the project faced cost overruns and the cabins had not been constructed. As a result, the General Assembly appropriated \$3.1 million from the RCF and \$4.9 million from the RC3 to construct the cabins. As mentioned above, the securitization of the remaining tobacco payments may not occur until next calendar year. As of November 2008, the DNR anticipates completion of the cabins by May 2009, if the entire \$8.0 million is available. If the RC3 funding is not available, and the cabins are not completed, the State risks being in default of the bond agreement. The Subcommittee may wish to consider shifting the appropriation of \$4.9 million from the RC3 to either the RIF or the RC2. If the funding for the new State office building is deappropriated, the FY 2007 RC2 moneys could be a good source of funding for this project because the Honey Creek cabins meet the restrictions necessary for using restricted capital and the funds would be expended in the timeframe required. *The Governor is recommending shifting the \$4.9 million FY 2009 funding for Honey Creek Resort from the RC3 to the RIF.*

**Iowa Veterans Home (IVH)** – The Iowa Veterans Home Master Plan estimated that construction and renovation of the facilities at the IVH will cost \$100.0 million over a 13-year period from FY 2009 to FY 2021. In SF 2432 (FY 2009 Infrastructure Appropriations Act), the IVH received \$20.6 million from the RC3 for Phases 2, 3, and 4. As mentioned above, the RC3 has not received the proceeds from the securitization of the tobacco payments because of a delay in the bond issuance due to poor market conditions. As a result, Phases 2, 3, and 4 were not included in the federal FY 2009 Construction List. The delay in obtaining federal match moneys and increased construction costs may alter the estimates for Phases 2, 3, and 4. The Subcommittee may want to consider an alternate mechanism for funding the IVH construction project or funding the phases separately. *The Governor is recommending shifting the funding for the IVH from the RC3 to the new Rebuild Iowa Infrastructure Investment Program.*

### Technology Reinvestment Fund Recommendations

	Estimated FY 2009	Gov Rec FY 2010	FY 2010 vs. Est. FY 2009
<b><u>Administrative Services</u></b>			
ITE Pooled Technology	\$ 3,980,255	2,037,184	-1,943,071
<b>Total Administrative Services</b>	<b>\$ 3,980,255</b>	<b>\$ 2,037,184</b>	<b>\$ -1,943,071</b>
<b><u>Corrections</u></b>			
Iowa Corrections Offender Network	\$ 500,000	\$ 500,000	\$ 0
<b>Total Corrections</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 0</b>
<b><u>Cultural Affairs</u></b>			
Grout Museum Oral History Exhibit	\$ 500,000	\$ 486,250	\$ -13,750
<b>Total Cultural Affairs</b>	<b>\$ 500,000</b>	<b>\$ 486,250</b>	<b>\$ -13,750</b>

## Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2009	Gov Rec FY 2010	FY 2010 vs. Est. FY 2009
<b><u>Education</u></b>			
ICN Part III Leases & Maint.	\$ 2,727,000	\$ 2,727,000	\$ 0
Iowa Learning Technologies	0	0	0
Skills Iowa Technology Grant	500,000	0	-500,000
Sr. Plus Transcript Depository	0	500,000	500,000
Statewide Education Data Warehouse	600,000	600,000	0
<b>Total Education</b>	<b>\$ 3,827,000</b>	<b>\$ 3,827,000</b>	<b>\$ 0</b>
<b><u>Human Rights</u></b>			
Infrastructure for Integrating Justice Data Systems	\$ 1,839,852	\$ 0	\$ -1,839,852
<b>Total Human Rights</b>	<b>\$ 1,839,852</b>	<b>\$ 0</b>	<b>\$ -1,839,852</b>
<b><u>Iowa Law Enforcement Academy</u></b>			
ILEA Technology Projects	\$ 0	\$ 185,000	\$ 185,000
<b>Total Iowa Law Enforcement Academy</b>	<b>\$ 0</b>	<b>\$ 185,000</b>	<b>\$ 185,000</b>
<b><u>Iowa Public Television</u></b>			
Digital Translator	\$ 701,500	\$ 0	\$ -701,500
Generators	1,602,437	0	-1,602,437
<b>Total Iowa Public Television</b>	<b>\$ 2,303,937</b>	<b>\$ 0</b>	<b>\$ -2,303,937</b>
<b><u>Iowa Telecommunications &amp; Technology Commission</u></b>			
Generator Replacement	\$ 0	\$ 2,755,246	\$ 2,755,246
ICN Equipment Replacement	2,190,123	2,211,863	21,740
ICN Network Redundancy	0	2,320,000	2,320,000
ICN Fiber Redundancy	1,800,000	0	-1,800,000
<b>Total Iowa Telecommunications &amp; Technology Comm.</b>	<b>\$ 3,990,123</b>	<b>\$ 7,287,109</b>	<b>\$ 3,296,986</b>
<b><u>Public Safety</u></b>			
AFIS Lease Purchase	\$ 560,000	\$ 350,000	\$ -210,000
<b>Total Public Safety</b>	<b>\$ 560,000</b>	<b>\$ 350,000</b>	<b>\$ -210,000</b>
<b>Total Technology Reinvestment Fund Requests</b>	<b>\$ 17,501,167</b>	<b>\$ 14,672,543</b>	<b>\$ -2,828,624</b>

Significant recommendations include:

- A decrease of \$1.9 million for Information Technology Enterprise pooled technology for the DAS from estimated FY 2009.
- An increase of \$2.3 million for the Iowa Communications Network (ICN) for Network Redundancy for the Iowa Telecommunications and Technology Commission (ITTC). This is part of a multi-phase project that includes fiber redundancy, voice platform redundancy, and a secondary entrance facility that are intended to strengthen ICN service. The ITTC received \$1.8 million for the project in FY 2009.
- An increase of \$2.8 million to replace generators located at Parts I and II sites, as well as regeneration sites, of the ICN. This is a new recommendation for the ITTC.

### **Mass Transit Study Committee**

The Mass Transit Study Committee met on November 14, 2008. The Committee received information related to ways mass transit might be employed to provide public transportation services among Iowa communities and the potential impacts of implementing more mass transit throughout the

State. The Committee considered the need for mass transit, potential funding mechanisms, costs and benefits of providing a mass transit system, as well as environmental, social, and economic impacts. The Committee recommended the following:

- The General Assembly and the DOT should adopt a resolution notifying Iowa's Congressional delegation that passenger rail service in Iowa is of significant importance and that passenger rail opportunities with the Midwest Interstate Passenger Rail Initiative and the Midwest Regional Rail Initiative should be pursued.
- Within the current tight budgetary climate, the General Assembly should explore all possible funding mechanisms for public transit, including but not limited to the use tax, bond issuances, and public/private partnerships.
- The General Assembly should consider adopting incentives to increase ridership and explore specific programs which would be designed to benefit low-income Iowans, disabled Iowans, the aging population in Iowa, and veterans in Iowa.
- The General Assembly should encourage community-to-community public transit access by exploring private/public partnerships to share public transit service and ensure public access. Such service should be affordable, regularly and frequently scheduled transportation, and should include regional systems across Iowa.
- The General Assembly should create a Capital Matching Fund to maximize local, state, and federal investment for the purchase of vehicles and infrastructure to promote public transit.
- The General Assembly should encourage the reduction of the State's carbon footprint and reliance on foreign oil by reducing vehicle miles traveled through the use of public transit.
- The General Assembly should promote urban density and land-use planning to reduce vehicle miles traveled.
- The General Assembly should continue the Mass Transit Study Committee during the 2009 interim period for purposes of reviewing the December 2009 report of the TIME-21 Public Transit Funding Study and the recommendations adopted by the mass Transit Study Committee in this report.

Additional information is available on the website:

<http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=240>.

### **LSA Publications**

The following documents have been published by the LSA that relate to the Transportation, Infrastructure, and Capitals Appropriations Subcommittee:

- *Fiscal Topic:* [Revitalize Iowa's Sound Economy \(RISE\) Program](#)
- *Fiscal Topic:* [Rebuild Iowa Infrastructure Fund](#)
- *Fiscal Topic:* [State Recreational Trails](#)
- *Fiscal Topic:* [TIME-21 Transportation Funding Act](#)
- *Debt Report:* [State of Iowa Outstanding Obligations - Selected State Debt](#)

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# **APPENDIX A**

## **Infrastructure and Technology Appropriations under Current Law and FY 2010 Governor's Recommendations – All Infrastructure funds**

### **Transportation Appropriations by Budget Unit**

**Infrastructure and Technology Appropriations under Current Law and FY 2010 Governor's Recommendations - All Infrastructure Funds**

As of February 4, 2009

	Actual FY 2008		Estimated FY 2009		Dept Request	Gov Rec FY 2010		Appropriations Previously Enacted			
	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b>Administrative Services</b>											
<b>Administrative Services</b>											
Major Maintenance	\$ 40,000,000	VIF	\$ 15,000,000	RC3	\$ 40,000,000	\$ 0	R IIB	\$ 0		\$ 0	
I/3 Human Resources Payroll	0		200,000	RIIF	23,194,827	0		0		0	
Routine Maintenance	5,000,000	RIIF	3,000,000	RIIF	20,000,000	0		0		0	
Workforce Bldg Asbestos	0		0	RIIF	13,650,000	0	R IIB	0		0	
New State Office Bldg	0		20,000,000	RC3	12,657,100	5,000,000	RIIF	12,657,100	RIIF	0	
ITE Pooled Technology	3,810,375	TRF	3,980,255	TRF	8,083,410	2,037,184	TRF	0		0	
Complex Utility Tunnel	260,000	RIIF	4,763,078	RC3	6,218,617	0	R IIB	0		0	
Capitol Interior/Exterior	6,300,000	RIIF	6,900,000	RC3	5,800,000	0		0		0	
DAS Distribution Account	2,000,000	RIIF	2,000,000	RIIF	4,004,200	3,000,000	RIIF	0		0	
Cap Comp Elect Dist Upgrade	3,460,960	RIIF	4,470,000	RC3	4,000,000	0		0		0	
Leases/Assistance	1,824,500	RIIF	0		2,800,000	0		0		0	
Building and Grounds Renewal	0		0		1,800,000	0		0		0	
West Capitol Terrace	1,600,000	RIIF	0		1,250,000	0		0		0	
Parking Structure Planning	0		0		1,125,000	0	R IIB	0		0	
Property Acquisition	1,000,000	RIIF	1,000,000	RIIF	1,000,000	0		0		0	
Replace Court Ave Bridge	0		0		900,000	0	R IIB	0		0	
Complex Security System	0		0		791,000	0	R IIB	0		0	
Grimes Office Bldg Planning	0		0		750,000	0	R IIB	0		0	
Terrace Hill Maintenance	0		769,543	RC3	620,000	0		0		0	
Total FY 2009 Terrace Hill \$956 K funded out of 2 funds	0		186,457	RCF	0	0		0		0	
Energy Plant & Additions	998,000	RIIF	623,000	RC3	425,000	0		0		0	
East Parking Lot Restoration	0		0		340,000	0	R IIB	0		0	
Energy Plant Fire Protection	0		0		300,000	0	R IIB	0		0	
Service Oriented Architecture	254,992	TRF	0		302,317	0		0		0	
Cap. Complex Alt. Energy System	0		200,000	RC2	250,000	0	R IIB	0		0	
Monument & Artwork Restoration	0		0		250,000	0		0		0	
North Campus Utilities Study	0		0		250,000	0		0		0	
Capitol Shuttle D-Line	0		170,000	RIIF	170,000	0		0		0	
Enterprise Resource Planning I/3	1,500,000	RIIF	0		0	0		0		0	
Mercy Capitol Acquisition	0		3,400,000	RC3	0	0		0		0	
Hoover Bldg HVAC Improvements	1,320,000	RIIF	1,500,000	RC3	0	0		0		0	
DHS-CCUSO Renovation	750,000	RIIF	829,000	RC3	0	0		0		0	
Install Pre-Heat Piping for Lucas Building	0		300,000	RC2	0	0		0		0	
Cap. Complex Master Plan	0		250,000	RIIF	0	0		0		0	
Hoover Security/Fire Walls	0		165,000	RC3	0	0		0		0	
Sidewalk & Parking Lot Repairs	1,650,000	RIIF	0		0	0		0		0	
Vehicle Dispatch Fleet Relocation	350,000	RIIF	0		0	0		0		0	
Workers' Monument	200,000	RIIF	0		0	0		0		0	
Project Manager IVH	0		200,000	RIIF	0	0		0		0	
DHS Toledo Education & Infirmary	3,100,000	RIIF	0		0	0		0		0	
Disabled Veterans Memorial	50,000	RIIF	0		0	0		0		0	
<b>Total Administrative Services</b>	<b>\$ 75,378,827</b>		<b>\$ 69,906,333</b>		<b>\$ 150,931,471</b>	<b>\$ 10,037,184</b>		<b>\$ 12,657,100</b>		<b>\$ 0</b>	

**Infrastructure and Technology Appropriations under Current Law and FY 2010 Governor's Recommendations - All Infrastructure Funds**

As of February 4, 2009

	Actual FY 2008		Estimated FY 2009		Dept Request		Gov Rec FY 2010		Appropriations Previously Enacted			
	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund	
<b><u>Agriculture and Land Stewardship</u></b>												
<b>Agriculture and Land Stewardship</b>												
IA Jr. Gelbvieh Heifer Show	\$	0	\$	10,000	RIIF	\$	0	\$	0	\$	0	
<b>Total Agriculture and Land Stewardship</b>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>10,000</u>		<u>\$</u>	<u>0</u>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>0</u>	
<b><u>Blind Capitals, Department for the</u></b>												
<b>Department For The Blind Capitals</b>												
Replace Air Handlers	\$	0	\$	0		\$	1,004,534	\$	0	\$	0	
Blind Building Renovation		0		869,748	RC3		0		0		0	
<b>Total Blind Capitals, Department for the</b>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>869,748</u>		<u>\$</u>	<u>1,004,534</u>	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>0</u>	
<b><u>Corrections, Department of</u></b>												
<b>Corrections</b>												
Iowa State Penitentiary	\$	0	\$	130,677,500	PBF	\$	0	\$	0	\$	0	
Major Maintenance		0		0			36,440,000		0		0	
5th District CBC Des Moines Expansion		0		200,000	RIIF		18,100,000		0	RIIB	0	
Project Management Prison Construction Projects		0		500,000	RIIF		10,000,000		1,750,000	RIIF	0	
2nd District CBC Ames Bed Expansion		0		0			7,500,000		0	RIIB	0	
8th District CBC Burlington Bed Expansion		0		0			6,500,000		0	RIIB	0	
1st District CBC Re-Entry Center		0		0			2,500,000		0	RIIB	0	
5th District CBC Re-Entry Center		0		0			2,500,000		0	RIIB	0	
7th District CBC Davenport Residential Facility		0		0			2,100,000		0	RIIB	0	
Security Improvements		0		0			2,000,000		0		0	
Iowa Corrections Offender Network	500,000	TRF		500,000	TRF		500,000		500,000	TRF	0	
Mt. Pleasant/Rockwell City Kitchens		0		12,500,000	RC3		0		0		0	
1st District CBC Waterloo Bed Expansion		0		6,000,000	RC3		0		0		0	
8th District CBC Ottumwa Bed Expansion		0		4,100,000	RC3		0		0		0	
3rd District CBC Sioux City Bed Expansion		0		5,300,000	RC3		0		0		0	
Iowa Correctional Inst. for Women		0		47,500,000	RC3		0		0		11,700,000	
DOC A & E Funding		0		1,000,000	RIIF		0		0		0	
Iowa State Penitentiary Electrical Lease	333,168	RIIF		0			0		0		0	
Anamosa Dietary Renovation	1,400,000	RC2		0			0		0		0	
Anamosa Boiler	25,000	RIIF		0			0		0		0	
Fort Dodge CBC Facility	2,450,000	RIIF		0			0		0		0	
Correctional Institutions Capitals Request	5,495,000	RIIF		0			0		0		0	
Prison Infrastructure Planning - System Study	500,000	RIIF		0			0		0		0	
CBC Cedar Rapids Mental Health Facility	1,300,000	RIIF		0			0		0		0	
Mt. Pleasant/Rockwell City Kitchens-RC3		0		0			0		0		0	
<b>Total Corrections</b>	<u>\$</u>	<u>12,003,168</u>	<u>\$</u>	<u>208,277,500</u>		<u>\$</u>	<u>88,140,000</u>	<u>\$</u>	<u>2,250,000</u>	<u>\$</u>	<u>0</u>	
										<u>\$</u>	<u>11,700,000</u>	

**Infrastructure and Technology Appropriations under Current Law and FY 2010 Governor's Recommendations - All Infrastructure Funds**

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	Actual FY 2008		Estimated FY 2009		Dept Request	Gov Rec FY 2010		Appropriations Previously Enacted			
	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b><u>Cultural Affairs</u></b>											
<b>Cultural Affairs</b>											
Great Places Capitals	\$ 3,000,000	RIIF	\$ 2,000,000	RIIF	\$ 2,000,000	\$ 1,900,000	RIIF	\$ 0		\$ 0	
Grout Museum Oral History Interactive Exhibit	0		500,000	TRF	500,000	486,250	TRF	486,250	TRF	0	
Battle Flags	220,000	RIIF	220,000	RIIF	220,000	0		0		0	
Kimball Organ Restoration	0		80,000	RIIF	80,000	0		0		0	
Historic Preservation	1,000,000	RIIF	1,000,000	RIIF	1,000,000	0		0		0	
<b>Total Cultural Affairs</b>	<b>\$ 4,220,000</b>		<b>\$ 3,800,000</b>		<b>\$ 3,800,000</b>	<b>\$ 2,386,250</b>		<b>\$ 486,250</b>		<b>\$ 0</b>	
<b><u>Economic Development</u></b>											
<b>Economic Development</b>											
Grow Iowa Values Fund	\$ 0		\$ 50,000,000	RIIF	\$ 50,000,000	\$ 47,500,000	RIIF	\$ 50,000,000	RIIF	\$ 0	
Community Attraction & Tourism (CAT) Grant	5,000,000	RIIF	12,000,000	RIIF	12,000,000	10,000,000	RIIF	12,000,000	RIIF	5,000,000	RIIF
River Community Attraction & Tourism (RECAT)	0		10,000,000	RIIF	10,000,000	0	RIIF	10,000,000	RIIF	10,000,000	RIIF
ACE Infrastructure	5,500,000	RIIF	900,000	RIIF	5,500,000	900,000	RIIF	0		0	
<i>Total FY 2009 ACE Infrastructure \$5.5 million funded out of 2 funds</i>			4,600,000	RC2							
Community College/Workforce Dev. and Training	2,000,000		2,000,000	RIIF	2,000,000	0		0		0	
Targeted Industries Infrastructure	900,000		900,000	RIIF	900,000	0		0		0	
Regional Sport Authorities	500,000		500,000	RIIF	500,000	0		0		0	
Multi Use Community Center Des Moines	0		100,000	RIIF	0	0		0		0	
Central Iowa Expo	250,000	RIIF	0		0	0		0		0	
<b>Total Economic Development</b>	<b>\$ 14,150,000</b>		<b>\$ 81,000,000</b>		<b>\$ 80,900,000</b>	<b>\$ 58,400,000</b>		<b>\$ 72,000,000</b>		<b>\$ 15,000,000</b>	
<b><u>Education</u></b>											
<b>Education</b>											
ICN Part III Leases & Maintenance Network	\$ 2,727,000	TRF	\$ 2,727,000	TRF	\$ 2,727,000	\$ 2,727,000	TRF	\$ 0		\$ 0	
Community College Infrastructure	2,000,000	RIIF	2,000,000	RC3	2,000,000	0	RIIF	0		0	
IPTV Building Purchase	0		0		1,255,500	0		0		0	
Enrich Iowa	1,000,000	RIIF	1,000,000	RIIF	1,000,000	1,000,000	RIIF	0		0	
IPTV Dubuque Translator Facility	0		0		800,000	0		0		0	
Education Data Warehouse	600,000	TRF	600,000	TRF	600,000	600,000	TRF	0		0	
Sr. Plus Transcript Depository - Data Warehouse	0		0		500,000	500,000	TRF	0		0	
IPTV Equipment - Generators	0		1,602,437	TRF	0	0		0		0	
IPTV Equipment - Digital Translator	0		701,500	TRF	0	0		0		0	
IPTV Capitals Equipment	1,275,000	RIIF	0		0	0		0		0	
Skills Iowa Technology Grant	0		500,000	TRF	0	0		0		0	
Iowa Learning Technologies	500,000	TRF	250,000	RIIF	0	0		0		0	
Ag Learning Center (EICC) Muscatine	0		80,000	TRF	0	0		0		0	
NEICC Ag Safety	35,000	RIIF	0		0	0		0		0	
<b>Total Education</b>	<b>\$ 8,137,000</b>		<b>\$ 9,460,937</b>		<b>\$ 8,882,500</b>	<b>\$ 4,827,000</b>		<b>\$ 0</b>		<b>\$ 0</b>	



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	Actual FY 2008		Estimated FY 2009		Dept Request	Gov Rec FY 2010		Appropriations Previously Enacted			
	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b>Human Rights, Department of</b>											
Integrating Justice Data Systems	\$ 2,881,466	TRF	\$ 1,839,852	TRF	\$ 0	\$ 0		\$ 0		\$ 0	
<b>Total Human Rights, Department of</b>	<u>\$ 2,881,466</u>		<u>\$ 1,839,852</u>		<u>\$ 0</u>	<u>\$ 0</u>		<u>\$ 0</u>		<u>\$ 0</u>	
<b>Human Services</b>											
<b>Human Services</b>											
Health/Safety/Loss	\$ 0		\$ 0		\$ 1,350,000	\$ 0		\$ 0		\$ 0	
Major Projects	0		0		1,300,000	0		0		0	
Nursing Facility Financial Assist.	1,000,000	RIIF	600,000	RIIF	600,000	0		0		0	
CSRU Payment Processing Equip	272,000	TRF	0		0	0		0		0	
Child Care Workgroup	0		30,000	RIIF	0	0		0		0	
Community Family Resource Ctr - North Central Iowa	0		15,000	RIIF	0	0		0		0	
Child Care Workers Insurance Study	0		50,000	RIIF	0	0		0		0	
<b>Total Human Services</b>	<u>\$ 1,272,000</u>		<u>\$ 695,000</u>		<u>\$ 3,250,000</u>	<u>\$ 0</u>		<u>\$ 0</u>		<u>\$ 0</u>	
<b>Iowa Finance Authority</b>											
<b>Iowa Finance Authority</b>											
IFA Water Quality Grants	\$ 4,000,000	RIIF	\$ 3,000,000	RIIF	\$ 3,000,000	\$ 0	RIIB	\$ 0		\$ 0	
State Housing Trust Fund - Standing Appropriation begin FY	2,500,000	RIIF	3,000,000	RIIF	3,000,000	3,000,000	RIIF	3,000,000	RIIF	3,000,000	RIIF
<b>Total Iowa Finance Authority</b>	<u>\$ 6,500,000</u>		<u>\$ 6,000,000</u>		<u>\$ 6,000,000</u>	<u>\$ 3,000,000</u>		<u>\$ 3,000,000</u>		<u>\$ 3,000,000</u>	
<b>Iowa Telecommunications &amp; Technology Comm</b>											
<b>Iowa Communications Network</b>											
Generator Replacement	\$ 0		\$ 0		\$ 2,755,246	\$ 2,755,246	TRF	\$ 0		\$ 0	
ICN Network Redundancy	0		0		2,320,000	2,320,000	TRF	0		0	
ICN Equipment Replacement	2,067,000	TRF	2,190,123	TRF	2,211,863	2,211,863	TRF	0		0	
ICN Fiber Redundancy	0		1,800,000	TRF	0	0		0		0	
<b>Total Iowa Telecommunications &amp; Technology Comm</b>	<u>\$ 2,067,000</u>		<u>\$ 3,990,123</u>		<u>\$ 7,287,109</u>	<u>\$ 7,287,109</u>		<u>\$ 0</u>		<u>\$ 0</u>	
<b>Iowa Workforce Development</b>											
<b>Iowa Workforce Development</b>											
Worker's Comp. Appeal System	\$ 500,000	TRF	\$ 0		\$ 0	\$ 0		\$ 0		\$ 0	
Outcome Tracking System	580,000	TRF	0		0	0		0		0	
<b>Total Iowa Workforce Development</b>	<u>\$ 1,080,000</u>		<u>\$ 0</u>		<u>\$ 0</u>	<u>\$ 0</u>		<u>\$ 0</u>		<u>\$ 0</u>	
<b>Law Enforcement Academy</b>											
<b>Law Enforcement Academy</b>											
ILEA Technology Projects	\$ 0		\$ 0		\$ 185,000	\$ 185,000	TRF	0		0	
<b>Total Law Enforcement Academy</b>	<u>\$ 0</u>		<u>\$ 0</u>		<u>\$ 185,000</u>	<u>\$ 185,000</u>		<u>\$ 0</u>		<u>\$ 0</u>	

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	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b>Management, Department of</b>											
<b>Management, Department of</b>											
Standing Appropriation - Environment First Fund	\$ 40,000,000	RIIF	\$ 42,000,000	RIIF	\$ 42,000,000	\$ 42,000,000	RIIF	\$ 42,000,000	RIIF	\$ 42,000,000	RIIF
Standing Appropriation - Vertical Infrastructure Fund	50,000,000	RIIF	0		0	0		0		0	
Technology Reinvestment Fund	0		17,500,000	RIIF	17,500,000	14,500,000	RIIF	17,500,000	RIIF	0	
<b>Total Dept. of Management</b>	<b>\$ 90,000,000</b>		<b>\$ 59,500,000</b>		<b>\$ 59,500,000</b>	<b>\$ 56,500,000</b>		<b>\$ 59,500,000</b>		<b>\$ 42,000,000</b>	
<b>Natural Resources</b>											
<b>Natural Resources</b>											
Lakes Restoration & Water Quality	\$ 8,600,000	RIIF	\$ 8,600,000	RC3	\$ 8,600,000	\$ 0		\$ 0		\$ 0	
Floodplain Management/Dam Safety	0		0		3,000,000	3,000,000	RIIF	0		0	
State Park Infrastructure	2,500,000	RIIF	0		2,500,000	0	RIIB	0		0	
Manchester Fish Hatchery	0		0		2,000,000	0	RIIB	0		0	
Low Head Dam Program	0		1,000,000		1,000,000	0	RIIB	0		0	
Lewis & Clark	0		0		600,000	0	RIIB	0		0	
Information Technology	0		0		550,000	0	RIIB	0		0	
Private Lands Flood Damage	0		0		450,000	0	RIIB	0		0	
State Forest Emerald Ash Borer	0		0		300,000	0	RIIB	0		0	
Lake Delhi Improvements	100,000	RIIF	100,000	RIIF	100,000	0	RIIB	0		0	
Carter Lake Improvements	500,000	RIIF	500,000	RC3	0	0		0		0	
Honey Creek Resort Park	0		4,900,000	RC3	0	0		0		0	
<i>Total FY 2009 Honey Creek \$8.0 million funded out of 2 funds</i>			3,100,000	RCF							
Volga Lake Recreation Area	750,000	RIIF	750,000	RC3	0	0		0		0	
Plasma Arc Technology - Marion	0		150,000	RIIF	0	0		0		0	
Mines of Spain Park	100,000	RIIF	0		0	0		0		0	
<b>Total Natural Resources</b>	<b>\$ 12,550,000</b>		<b>\$ 19,100,000</b>		<b>\$ 19,100,000</b>	<b>\$ 3,000,000</b>		<b>\$ 0</b>		<b>\$ 0</b>	
<b>Parole, Board of</b>											
<b>Parole Board</b>											
Technology Projects	\$ 0		\$ 0		\$ 92,000	\$ 0		\$ 0		\$ 0	
<b>Total Parole, Board of</b>	<b>\$ 0</b>		<b>\$ 0</b>		<b>\$ 92,000</b>	<b>\$ 0</b>		<b>\$ 0</b>		<b>\$ 0</b>	

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	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b>Public Defense Capital</b>											
<b>Public Defense Capital</b>											
Gold Star Museum	\$ 1,000,000	RIIF	\$ 2,000,000	RIIF	\$ 1,000,000	\$ 1,000,000	RIIF	\$ 1,000,000	RIIF		0
Davenport Aviation Readiness Center	0		0		2,000,000	0	RIIB	0			0
Statewide Modernization Readiness Centers	0		1,800,000	RIIF	1,800,000	1,800,000	RIIF	1,800,000	RIIF	1,800,000	RIIF
Facility/Armory Maintenance	1,500,000	RIIF	1,500,000	RIIF	1,500,000	900,000	RIIF	0			0
Camp Dodge Storm Shelter & Office	0		0		1,500,000	0	RIIB	0			0
Ottumwa Armory Addition/Alteration	1,000,000	RIIF	500,000	RIIF	0	0		0			0
Mount Pleasant Readiness Center	0		0		1,000,000	0	RIIB	0			0
Camp Dodge Swimming Pool Pavilion	0		0		500,000	0	RIIB	0			0
Iowa City Readiness Center	1,200,000	RIIF	0		750,000	0	RIIB	0			0
Newton Readiness Center	400,000	RIIF	0		700,000	0	RIIB	0			0
Camp Dodge Sanitary Sewer Lift Station	0		0		500,000	0	RIIB	0			0
Camp Dodge Water Project Phase 3	400,000	RIIF	410,000	RIIF	500,000	0	RIIB	0			0
Davenport Readiness Center	0		0		250,000	0	RIIB	0			0
Cedar Rapids Readiness Center	0		0		100,000	0	RIIB	0			0
Middleton Readiness Center	0		0		100,000	0	RIIB	0			0
Muscatine Readiness Center	0		0		100,000	0	RIIB	0			0
STARCOMM	2,000,000	RIIF	1,600,000	RIIF	0	0		0			0
Technology Upgrades	111,000	TRF	0		0	0		0			0
Camp Dodge Elect. Dist. Upgrade	0		526,000	RIIF	0	0		0			0
Camp Dodge Readiness Center	50,000	RIIF	0		0	0		0			0
Waterloo Aviation Readiness Center	500,000	RIIF	0		0	0		0			0
Eagle Grove Readiness Center	400,000	RIIF	0		0	0		0			0
Law Enf./Natl Guard Shoot House	500,000	RIIF	0		0	0		0			0
<b>Total Public Defense Capital</b>	<b>\$ 9,061,000</b>		<b>\$ 8,336,000</b>		<b>\$ 12,300,000</b>	<b>\$ 3,700,000</b>		<b>\$ 2,800,000</b>		<b>\$ 1,800,000</b>	
<b>Public Health, Department of</b>											
<b>Public Health, Department of</b>											
Vision Screening	\$ 0	RIIF	\$ 130,000		\$ 130,000	\$ 0		\$ 0		\$ 0	
<b>Total Public Health, Department of</b>	<b>\$ 0</b>		<b>\$ 130,000</b>		<b>\$ 130,000</b>	<b>\$ 0</b>		<b>\$ 0</b>		<b>\$ 0</b>	

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	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b>Public Safety</b>											
<b>Public Safety Capital</b>											
AFIS Lease Purchase	\$ 560,000	TRF	\$ 560,000	TRF	\$ 350,000	\$ 350,000	TRF	0		0	
Technology Projects	1,900,000	TRF	0		0	0		0		0	
Mason City Patrol Post	2,400,000	RIIF	0		0	0		0		0	
Regional Fire Train/Emergency Response Facilities	1,400,000	RIIF	0		0	0		0		0	
State Emergency Response/Fire Training Facility	2,000,000	RIIF	0		0	0		0		0	
<b>Total Public Safety</b>	<b>\$ 8,260,000</b>		<b>\$ 560,000</b>		<b>\$ 350,000</b>	<b>\$ 350,000</b>		<b>\$ 0</b>		<b>\$ 0</b>	
<b>Regents</b>											
<b>Regents Capital</b>											
Fire Safety and Deferred Maint	\$ 1,000,000	VIF	\$ 0		\$ 50,000,000	\$ 0	RB	\$ 0		\$ 0	
ISU-Veterinary Lab	600,000	VIF	1,800,000	RIIF	38,000,000	0	RB	0		0	
SUI Pentacrest and HVAC Improvements	0		0		38,000,000	0	RB	0		0	
Tuition Replacement	10,329,981	RIIF	24,305,412	RIIF	24,305,412	24,305,412		24,305,412	RIIF		0
UNI - Baker Hall Renovation	0		0		19,700,000	0	RB	0		0	
ISU - Renewable Fuels Building	5,647,000		14,756,000	RIIF	11,597,000	11,597,000	RIIF	11,597,000	RIIF		0
SUI Institute for Biomedical Discovery	10,000,000		10,000,000	RIIF	10,000,000	10,000,000	RIIF	10,000,000	RIIF		0
ISU Ag. and Biosystems Engineering	0		0		1,250,000	0	RB	0		0	
SUI Hygienic Laboratory	15,650,000	RIIF	12,000,000	RIIF	0	0		0		0	
Iowa Public Radio	0		2,000,000	RC3	0	0		0		0	
ISU - Midwest Grape & Wine Institute	0		50,000	RIIF	0	0		0		0	
UNI - MyEntreNet	235,000	TRF	0		0	0		0		0	
<b>Total Regents</b>	<b>\$ 43,461,981</b>		<b>\$ 64,911,412</b>		<b>\$ 192,852,412</b>	<b>\$ 45,902,412</b>		<b>\$ 45,902,412</b>		<b>\$ 0</b>	
<b>Revenue, Dept. of</b>											
<b>Revenue, Department of</b>											
SAVE Appropriation	\$ 10,000,000	RIIF	\$ 10,000,000	RIIF	\$ 10,000,000	\$ 10,000,000	RIIF	\$ 10,000,000	RIIF	\$ 10,000,000	RIIF
<b>Total Revenue, Dept. of</b>	<b>\$ 10,000,000</b>		<b>\$ 10,000,000</b>		<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>		<b>\$ 10,000,000</b>		<b>\$ 10,000,000</b>	

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	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b><u>Secretary of State</u></b>											
<b>Secretary of State</b>											
Voting Machine Reimburse	\$ 2,000,000	RIIF	\$ 0		\$ 0	\$ 0		\$ 0		\$ 0	
Optical Scan Voting Machines	4,900,880	RIIF	0		0	0		0		0	
<b>Total Secretary of State</b>	<b>\$ 6,900,880</b>		<b>\$ 0</b>		<b>\$ 0</b>	<b>\$ 0</b>		<b>\$ 0</b>		<b>\$ 0</b>	
<b><u>State Fair Authority</u></b>											
<b>State Fair Authority</b>											
Agri. Exhibition Center	\$ 3,000,000	RIIF	\$ 5,000,000	RC3	\$ 5,000,000	\$ 0	<i>RIIB</i>	\$ 0		\$ 0	
<b>Total State Fair Authority</b>	<b>\$ 3,000,000</b>		<b>\$ 5,000,000</b>		<b>\$ 5,000,000</b>	<b>\$ 0</b>		<b>\$ 0</b>		<b>\$ 0</b>	
<b><u>Transportation</u></b>											
<b>Transportation</b>											
Recreational Trails	\$ 2,000,000	RC2	\$ 3,000,000	RIIF	\$ 3,000,000	\$ 0	<i>RIIB</i>	\$ 0		\$ 0	
Rail Revolving Loan & Grant Fund	2,000,000	RIIF	2,000,000	RIIF	3,000,000	0	<i>RIIB</i>	0		0	
Passenger Rail	0		0		3,000,000	0	<i>RIIB</i>	0		0	
Public Transit Vertical Infrastructure Grants	2,200,000	RIIF	2,200,000	RC3	2,200,000	0	<i>RIIB</i>	0		0	
Public Transit	0		0		1,000,000	0	<i>RIIB</i>	0		0	
Commercial Airport Vertical Infrastructure	1,500,000	RIIF	1,500,000	RC3	1,500,000	0	<i>RIIB</i>	0		0	
General Aviation Airport Grants	750,000	RIIF	750,000	RIIF	1,500,000	0	<i>RIIB</i>	0		0	
Dubuque Depot and Platform	0		300,000	RIIF	0	0		0		0	
<b>Total Transportation Capitals</b>	<b>\$ 8,450,000</b>		<b>\$ 9,750,000</b>		<b>\$ 15,200,000</b>	<b>\$ 0</b>		<b>\$ 0</b>		<b>\$ 0</b>	
<b><u>Treasurer of State</u></b>											
<b>Treasurer of State</b>											
County Fair Improvements	\$ 1,590,000	RIIF	\$ 1,590,000	RIIF	\$ 1,590,000	\$ 0		\$ 0		\$ 0	
Watershed Improvement Review Board Grant Funds	5,000,000	ENDW	5,000,000	RIIF	5,000,000	0	<i>RIIB</i>	0		0	
<b>Total Treasurer of State</b>	<b>\$ 6,590,000</b>		<b>\$ 6,590,000</b>		<b>\$ 6,590,000</b>	<b>\$ 0</b>		<b>\$ 0</b>		<b>\$ 0</b>	

# Infrastructure and Technology Appropriations under Current Law and FY 2010 Governor's Recommendations - All Infrastructure Funds

As of February 4, 2009

	Actual FY 2008		Estimated FY 2009		Dept Request	Gov Rec FY 2010		Appropriations Previously Enacted			
	Appropriation	Fund	Appropriation	Fund	FY 2010	Recommendation	Fund	FY 2010	Fund	FY 2011	Fund
<b>Veterans Affairs</b>											
<b>Veterans Affairs</b>											
Veterans Home Capitals	\$ 532,000	RIIF	\$ 0		\$ 1,080,000	\$ 0	RIIB	\$ 0		\$ 0	
Veterans Affairs Capital Improvements	0		0		250,000	0		0		0	
Home Ownership Program	1,000,000	RIIF	1,600,000	RIIF	1,600,000	1,600,000	RIIF	0		0	
Veterans Home Phases 2, 3 and 4	0		20,555,329	RC3	0	0		0		0	
Dubuque Veterans Memorial	0		100,000	RC3	0	0		0		0	
<b>Total Veterans Affairs</b>	<b>\$ 1,532,000</b>		<b>\$ 22,255,329</b>		<b>\$ 2,930,000</b>	<b>\$ 1,600,000</b>		<b>\$ 0</b>		<b>\$ 0</b>	
<b>Total Infrastructure and Capitals*</b>	<b>\$ 277,495,322</b>		<b>\$ 574,482,234</b>		<b>\$ 656,925,026</b>	<b>\$ 194,924,955</b>		<b>\$ 206,345,762</b>		<b>\$ 83,500,000</b>	

\*The Infrastructure and Capitals Totals for Actual FY 2008, Estimated FY 2009, Dept Request, and FY 2010 Governor's Recommendations have been adjusted in order to avoid double counting due to the inclusion of the standing appropriations from RIIF to both VIF and TRF in the spreadsheet as well as the appropriations out of VIF and TRF. These totals **do** include the RIIF standing appropriation to the Environment First Fund, however.

## Funding Sources

ENDW = Endowment for Iowa's Health Account

PBF= FY 2009 Prison Bonding Fund

RCF = Tobacco Settlement Trust Fund - Restricted Capital Fund

RC2 = Tobacco Settlement Trust Fund - Endowment for Iowa's Health Restricted Capitals Fund

RC3 = Tobacco Settlement Trust Fund - FY 2009 Tax-Exempt Restricted Capital Fund

RIIF = Rebuild Iowa Infrastructure Fund

TRF = Technology Reinvestment Fund

VIF = Vertical Infrastructure Fund

## Potential Funding Source as Suggested by the Governor

RIIB = Rebuild Iowa Infrastructure Investment Bond Proceeds

RB = Regents Bonding

# DEPARTMENT OF TRANSPORTATION

## TOTALS BY BUDGET UNIT

	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs. FY 2009
<b>Operations</b>			
Operations	\$ 47,178,196	\$ 47,548,196	\$ 370,000
Planning & Programming	10,118,211	10,118,211	0
Motor Vehicle	37,204,017	38,307,017	1,103,000
Highway	223,274,176	236,263,176	12,989,000
<b>Total Operations</b>	<b>\$ 317,774,600</b>	<b>\$ 332,236,600</b>	<b>\$ 14,462,000</b>
<b>Special Purpose</b>			
Drivers' License Equipment Lease	\$ 3,047,000	\$ 4,195,000	\$ 1,148,000
Department of Administrative Services (DAS)	1,304,000	1,607,000	303,000
Unemployment Compensation	345,000	145,000	-200,000
Workers' Compensation	2,931,000	3,548,000	617,000
Indirect Cost Recoveries	850,000	650,000	-200,000
Auditor Reimbursement	459,300	482,500	23,200
County Treasurer Support	1,442,000	1,394,000	-48,000
Road/Weather Conditions Info.	100,000	100,000	0
Mississippi River Park. Comm.	61,000	40,000	-21,000
North America Superhighway Corridor Coalition	50,000	50,000	0
Overdimension Permitting System	1,000,000	0	-1,000,000
Garage Fuel & Waste Management	800,000	800,000	0
Transportation Maps	242,000	242,000	0
Inventory & Equip. Replacement	2,250,000	2,250,000	0
Field Facility Deferred Maintenance	500,000	1,000,000	500,000
<b>Total Special Purpose</b>	<b>\$ 15,381,300</b>	<b>\$ 16,503,500</b>	<b>\$ 1,122,200</b>
<b>Capitals</b>			
Utility Improvements	\$ 400,000	\$ 400,000	\$ 0
Garage Roofing Projects	200,000	200,000	0
HVAC Improvements	100,000	100,000	0
ADA Improvements	120,000	120,000	0
Ames Elevator Upgrade	100,000	100,000	0
Waukon Garage	2,500,000	0	-2,500,000
Rockwell City Garage	0	3,000,000	3,000,000
Scale/MVD Facilities Maintenance	200,000	200,000	0
<b>Total Capitals</b>	<b>\$ 3,620,000</b>	<b>\$ 4,120,000</b>	<b>\$ 500,000</b>
<b>Total Department of Transportation</b>	<b>\$ 336,775,900</b>	<b>\$ 352,860,100</b>	<b>\$ 16,084,200</b>

## FTE Positions

	Estimated FY 2009	Gov Rec FY 2010	FY 2010 vs. FY 2009
Operations	308.0	311.0	3.0
Planning & Programming	131.0	131.0	0.0
Motor Vehicle	481.0	498.0	17.0
Highway	2,453.0	2,453.0	0.0
<b>Total FTE Positions</b>	<b>3,373.0</b>	<b>3,393.0</b>	<b>20.0</b>

Note: The 3.0 FTE positions recommended for Operations are being transferred from Motor Vehicle. The 17.0 FTE positions recommended for Motor Vehicle are necessary for implementation of the current requirements of the federal REAL ID Act.

# **APPENDIX B**

## **Infrastructure Balance Sheets**

- Rebuild Iowa Infrastructure Fund (RIIF)
- Tobacco Settlement Trust Fund - Restricted Capital Fund (RCF)
- Tobacco Settlement Trust Fund - Endowment for Iowa's Health Restricted Capitals Fund (RC2)
- Tobacco Settlement Trust Fund - FY 2009 Tax-Exempt Restricted Capital Fund (RC3)
- Technology Reinvestment Fund (TRF)
- FY 2009 Prison Bonding Fund (PBF)
- Rebuild Iowa Infrastructure Investment Bond Proceeds (RIIB)



# Rebuild Iowa Infrastructure Fund

as of February 2, 2009

	Actual FY 2008	Adjusted Estimated FY 2009	Gov. Rec. FY 2009*	Gov. Rec. FY 2010*	Legislative Action FY 2010**	Legislative Action FY 2011
<b>Resources</b>						
Balance Forward	\$ 49,696,180	\$ 32,167,362	\$ 32,167,362	\$ 16,959,783	\$ 12,638,307	\$ 25,407,732
Wagering Taxes and Fees	200,691,800	201,978,575	201,978,575	204,843,030	204,843,030	207,725,390
Gamblers Treatment Fund Excess	2,585,574	1,114,759	1,114,759	1,185,907	1,185,907	1,257,766
License Fee Tax Credit	0	-4,600,000	-4,600,000	-4,600,000	-4,600,000	-4,600,000
Boat Assessment Tax Credit	0	0	0	0	0	-6,000,465
Riverboat License Fees	8,000,000	8,000,000	8,000,000	0	0	0
Transfer from Vertical Infrastructure Fund	0	8,400,023	8,400,023	0	0	0
Interest	32,860,571	18,200,000	24,000,000	14,700,000	17,200,000	19,000,000
Transfer to General Fund	0	0	-37,000,000	0	0	0
Revenue Loss Due to Bonding	0	0	0	-56,000,000	0	0
MSA Tobacco Payment (transfer from Endowment)	0	0	0	18,000,000	0	0
<b>Total Resources</b>	<b>\$ 293,834,125</b>	<b>\$ 265,260,719</b>	<b>\$ 234,060,719</b>	<b>\$ 195,088,720</b>	<b>\$ 231,267,244</b>	<b>\$ 242,790,423</b>
<b>Appropriations</b>						
<b>Administrative Services</b>						
Routine Maintenance	\$ 5,000,000	\$ 3,000,000	\$ 3,000,000	\$ 0	\$ 0	\$ 0
Employee Relocation Expenses/Leases	1,824,500	0	0	0	0	0
DAS Distribution Account	2,000,000	2,000,000	2,000,000	3,000,000	0	0
New Office Building	0	0	0	5,000,000	12,657,100	0
Toledo Juvenile Home Improvements	0	0	0	0	0	0
DHS Toledo-New Education & Infirmary Bldg.	3,100,000	0	0	0	0	0
Terrace Hill Maintenance	0	0	0	0	0	0
DHS - Civil Comm. Unit for Sex Offenders Renov.	750,000	0	0	0	0	0
Capitol Complex Electrical Distribution	3,460,960	0	0	0	0	0
Capitol Interior/Exterior	6,300,000	0	0	0	0	0
Capitol Complex Utility Tunnel/Feasibility Study	260,000	0	0	0	0	0
Sidewalks & Parking Lot Repairs	1,650,000	0	0	0	0	0
Enterprise Resource Planning (I/3)	1,500,000	0	0	0	0	0
West Capitol Terrace	1,600,000	0	0	0	0	0
Hoover Building HVAC Improvements	1,320,000	0	0	0	0	0
Property Acquisition	1,000,000	1,000,000	1,000,000	0	0	0
Workforce Building Feasibility Study	0	0	0	0	0	0
Energy Plant and Additions	998,000	0	0	0	0	0
Vehicle Dispatch Fleet Relocation	350,000	0	-349,161	0	0	0
Veterans Disabled for Life Memorial	50,000	0	0	0	0	0
Workers' Monument	200,000	0	0	0	0	0
Major Maintenance	0	0	0	0	0	0
Capitol Master Plan Update	0	250,000	250,000	0	0	0
Hoover Building Security/Fire Walls	0	0	0	0	0	0
Terrace Hill Preservation and Restoration	0	0	0	0	0	0
Human Resource I/3 Payroll Module	0	200,000	200,000	0	0	0
Contract Project Manager - Veterans Home	0	200,000	200,000	0	0	0
Capitol Shuttle Service and Incentive Program	0	170,000	170,000	0	0	0
<b>Agriculture and Land Stewardship</b>						
National Junior Gelbvieh Heifer Show	0	10,000	10,000	0	0	0
<b>Department of the Blind</b>						
Dormitory Remodeling	0	0	0	0	0	0
<b>Corrections</b>						
Ft. Madison Electrical System Lease Purchase	333,168	0	0	0	0	0
Mitchellville Expansion	0	0	0	0	0	11,700,000
Correctional Institutions Capitals Request	5,495,000	0	-2,797,376	0	0	0
Fort Dodge CBC Residential Facility	2,450,000	0	0	0	0	0
Anamosa Dietary Renovation	25,000	0	0	0	0	0
Davenport CBC Facility	0	0	-3,458,217	0	0	0
6th District Mental Health Bldg	1,300,000	0	0	0	0	0
Prison Infrastructure Planning	500,000	0	0	0	0	0
A & E Funding for Ft. Madison and Mitchellville	0	1,000,000	1,000,000	0	0	0
Construction Project Manager	0	500,000	500,000	1,750,000	0	0
Des Moines CBC Planning Study	0	200,000	200,000	0	0	0
<b>Cultural Affairs</b>						
Historical Preservation Grant Program	1,000,000	1,000,000	1,000,000	0	0	0
American Gothic Visitors Ed. Center	0	0	0	0	0	0
Great Places Initiative	3,000,000	2,000,000	2,000,000	1,900,000	0	0
Iowa Veterans Oral Histories	0	0	0	0	0	0
Iowa Battle Flags	220,000	220,000	220,000	0	0	0
Kimball Organ Restoration	0	80,000	80,000	0	0	0

# Rebuild Iowa Infrastructure Fund

as of February 2, 2009

	Actual FY 2008	Adjusted Estimated FY 2009	Gov. Rec. FY 2009*	Gov. Rec. FY 2010*	Legislative Action FY 2010**	Legislative Action FY 2011
<b>Economic Development</b>						
Community Attraction & Tourism Grants	5,000,000	12,000,000	12,000,000	10,000,000	12,000,000	5,000,000
River Enhancement Comm Attract & Tourism (RECAT)	0	10,000,000	10,000,000	0	10,000,000	10,000,000
Accelerated Career Education (ACE) Program	5,500,000	900,000	-4,225,000	900,000	0	0
Iowa Port Authorities	0	0	0	0	0	0
Targeted Industries Infrastructure	900,000	900,000	900,000	0	0	0
Regional Sport Authorities	500,000	500,000	500,000	0	0	0
Community Colleges 260C.18A	2,000,000	2,000,000	2,000,000	0	0	0
Grow Iowa Values Fund	0	50,000,000	50,000,000	47,500,000	50,000,000	0
Central Expo FY 2008 Supplemental	250,000	0	0	0	0	0
Multi use Community Center - Des Moines	0	100,000	100,000	0	0	0
<b>Education</b>						
Enrich Iowa Libraries	1,000,000	1,000,000	1,000,000	1,000,000	0	0
NEICC Agriculture Emergencies Facility	35,000	0	0	0	0	0
Community Colleges Infrastructure	2,000,000	0	0	0	0	0
IPTV - Mechanical Equipment	1,275,000	0	0	0	0	0
Iowa Learning Technologies	0	250,000	250,000	0	0	0
Agricultural Learning Center - Muscatine	0	80,000	80,000	0	0	0
<b>Human Services</b>						
Polk County Residential Treatment Facility	0	0	0	0	0	0
Nursing Home Facility Financial Assistance	1,000,000	600,000	600,000	0	0	0
Child Care Workgroup	0	30,000	30,000	0	0	0
Community Family Resource Center - North Cen. Iowa	0	15,000	15,000	0	0	0
Child Care Workers' Insurance Study	0	50,000	50,000	0	0	0
<b>Iowa Finance Authority</b>						
Wastewater Treatment Assist - Water Quality Grants	4,000,000	3,000,000	3,000,000	0	0	0
State Housing Trust Fund	2,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
IFA Transitional Housing	0	0	0	0	0	0
<b>Management</b>						
Vertical Infrastructure Fund	50,000,000	0	0	0	0	0
Technology Reinvestment Fund	0	17,500,000	17,500,000	14,500,000	17,500,000	0
Environment First Fund	40,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000
<b>Natural Resources</b>						
Lake Darling State Park Shelter	0	0	0	0	0	0
Volga River Rec. Area Infrastructure Impr.	750,000	0	0	0	0	0
Lake Delhi Improvements	100,000	100,000	100,000	0	0	0
Carter Lake Improvements	500,000	0	0	0	0	0
Mines of Spain Interpretive Center	100,000	0	0	0	0	0
State Park Renovations	2,500,000	0	0	0	0	0
Lake Restoration & Water Quality	8,600,000	0	0	0	0	0
Floodplain Management/Dam Safety	0	0	0	3,000,000	0	0
Honey Creek Resort State Park	0	0	4,900,000	0	0	0
Water Trails and Low Head Dam Programs	0	1,000,000	1,000,000	0	0	0
Plasma Arc Technology - Marion	0	150,000	150,000	0	0	0
<b>Public Health</b>						
Environmental & Emergency Mgmt. Facility	0	0	0	0	0	0
Vision Screening	0	130,000	130,000	0	0	0
<b>Public Defense</b>						
Camp Dodge Armed Forces Readiness Center	50,000	0	0	0	0	0
Gold Star Museum - Camp Dodge	1,000,000	2,000,000	2,000,000	1,000,000	1,000,000	0
STARCOMM	2,000,000	1,600,000	1,600,000	0	0	0
Iowa City Readiness Center	1,200,000	0	0	0	0	0
Waterloo Aviation Readiness Center	500,000	0	0	0	0	0
Camp Dodge Water Distribution System	400,000	410,000	410,000	0	0	0
Facility/Armory Maintenance	1,500,000	1,500,000	1,500,000	900,000	0	0
Ottumwa Armory Addition	1,000,000	500,000	500,000	0	0	0
Newton Readiness Center	400,000	0	0	0	0	0
Eagle Grove Readiness Center	400,000	0	0	0	0	0
Camp Dodge Electrical Distribution System Upgrade	0	526,000	526,000	0	0	0
ILEA/National Guard Shoot House	500,000	0	0	0	0	0
Statewide Modernization Agenda - Readiness Centers	0	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
<b>Public Safety</b>						
State Fire Training Facilities	2,000,000	0	-2,000,000	0	0	0
Regional Emer Response Facilities	1,400,000	0	0	0	0	0
Law Enforcement Training Track	0	0	0	0	0	0
Mason City Patrol Post	2,400,000	0	0	0	0	0

# Rebuild Iowa Infrastructure Fund

as of February 2, 2009

	Actual FY 2008	Adjusted Estimated FY 2009	Gov. Rec. FY 2009*	Gov. Rec. FY 2010*	Legislative Action FY 2010**	Legislative Action FY 2011
<b>Regents</b>						
Tuition Replacement	10,329,981	24,305,412	24,305,412	24,305,412	24,305,412	0
Major/Deferred Maintenance	0	0	0	0	0	0
Institute for Biomedical Discovery	10,000,000	10,000,000	-5,414,722	10,000,000	10,000,000	0
ISU - Biorenewables Building	5,647,000	14,756,000	3,479,000	11,597,000	11,597,000	0
UNI - Program for Playground Safety	0	0	0	0	0	0
SUI - Hygienic Laboratory	15,650,000	12,000,000	12,000,000	0	0	0
Ag Products/Novel Proteins	0	0	0	0	0	0
ISU - Veterinary Laboratory	0	1,800,000	1,800,000	0	0	0
Midwest Grape and Wine Industry Institute	0	50,000	50,000	0	0	0
<b>Revenue</b>						
Secure and Advance Vision for Education (SAVE)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
<b>Secretary of State</b>						
Voting Machine Reimbursement Fund	2,000,000	0	0	0	0	0
Optical Scan Voting System FY 2008 Supplemental	4,900,880	0	0	0	0	0
<b>State Fair</b>						
Agriculture Exhibition Center	3,000,000	0	0	0	0	0
<b>Transportation</b>						
Commercial Aviation Infrastructure	1,500,000	0	0	0	0	0
Rail Assistance/Revolving Loan Fund	2,000,000	2,000,000	2,000,000	0	0	0
Recreational Trails	2,000,000	3,000,000	3,000,000	0	0	0
Public Transit Infrastructure	2,200,000	0	0	0	0	0
General Aviation Airport Grants	750,000	750,000	750,000	0	0	0
Dubuque Depot and Platform	0	300,000	300,000	0	0	0
<b>Treasurer</b>						
County Fairs Infrastructure	1,590,000	1,590,000	1,590,000	0	0	0
Watershed Improvement Review Board	0	5,000,000	5,000,000	0	0	0
Prison Infrastructure Fund	0	0	0	0	0	0
<b>Veterans Affairs</b>						
Veterans Home Infrastructure	532,000	0	0	0	0	0
Home Ownership Program	1,000,000	1,600,000	1,600,000	1,600,000	0	0
<b>Net Appropriations</b>	<u>\$ 262,046,489</u>	<u>\$ 252,622,412</u>	<u>\$ 217,100,936</u>	<u>\$ 194,752,412</u>	<u>\$ 205,859,512</u>	<u>\$ 83,500,000</u>
Reversions	-379,727	0	0	0	0	0
<b>Ending Balance</b>	<u>\$ 32,167,362</u>	<u>\$ 12,638,307</u>	<u>\$ 16,959,783</u>	<u>\$ 336,308</u>	<u>\$ 25,407,732</u>	<u>\$ 159,290,423</u>

\* Note: The interest estimated for Gov's Rec FY 2009 and FY 2010 includes revised numbers provided by the Department of Management after the Governor's Budget in Brief was printed. The estimate provided by the Department of Management may not fully reflect the impact of the recession and may be too high. The Legislative Services Agency adjusted the interest estimates that are reflected in the Legislative Action columns to account for lower interest rates.

\*\* Note: Legislative Action FY 2010 includes the \$56.0 million reduction in rainy day funds from H.F. 64 , but does not assume the additional \$200.0 million reduction in rainy day funds as proposed by the Governor. If the General Assembly decides to follow that proposal, the interest estimate for FY 2010 will decrease to \$12.2 million. Furthermore, the FY 2011 interest estimates would be adjusted to approximately \$13.6 million.

# Tobacco Settlement Trust Fund

## Restricted Capital Fund

	Actual FY 2007	Actual FY 2008	Estimated FY 2009	Gov. Rec. FY 2010
<b>Resources</b>				
Balance Forward	\$ 423,101	\$ 2,857,854	\$ 3,401,941	\$ 205,484
Adjustment to Balance	1,433	8,777		
Interest	2,425,977	534,289	90,000	5,000
Total Available Resources	<u>\$ 2,850,511</u>	<u>\$ 3,400,920</u>	<u>\$ 3,491,941</u>	<u>\$ 210,484</u>
<b>Appropriations</b>				
Dept. of Administrative Services				
Terrace Hill Roof - Supplemental	700,000	0	0	0
Electrical Distribution - Supplemental	800,000	0	0	0
Terrace Hill Restoration and Repair			186,457	0
Dept. of Natural Resources				
Honey Creek Resort State Park - Cabins	0	0	3,100,000	0
Dept. of Public Safety				
Dubuque Fire Training Facility	0	0	0	0
Mason City Patrol Post	-2,400,000	0	0	0
Property Acquisition - Supplemental	1,200,000	0	0	0
Radio Consoles - Supplemental	1,000,000	0	0	0
Public Safety Building Furnishings	200,000	0	0	0
Total Appropriations	<u>\$ 1,500,000</u>	<u>\$ 0</u>	<u>\$ 3,286,457</u>	<u>\$ 0</u>
Reversions	-7,343	-1,021	0	0
Deappropriations	-1,500,000	0	0	0
Ending Balance	<u>\$ 2,857,854</u>	<u>\$ 3,401,941</u>	<u>\$ 205,484</u>	<u>\$ 210,484</u>

**Tobacco Settlement Trust Fund**  
**Endowment for Iowa's Health Restricted Capitals Fund (RC2)**

	Actual FY 2007	Actual FY 2008	Estimated FY 2009	Gov. Rec. FY 2009	Legislative Action FY 2010
<b>Resources</b>					
Balance Forward	\$ 102,397,765	\$ 3,821,417	\$ 6,485,884	\$ 6,485,884	\$ 3,185,884
Tax-Exempt Bond Proceeds	0	0	0	0	0
Interest	5,202,653	4,064,467	1,800,000	1,800,000	200,000
Total Available Resources	<u>\$ 107,600,418</u>	<u>\$ 7,885,884</u>	<u>\$ 8,285,884</u>	<u>\$ 8,285,884</u>	<u>\$ 3,385,884</u>
<b>Appropriations</b>					
Department of Administrative Services					
DHS - Toledo Juvenile Home	\$ 1,521,045	\$ 0	\$ 0	\$ 0	\$ 0
DHS - Toledo Education & Infirmary Bldg.	5,030,668	0	0	0	0
Capitol Interior Restoration	6,830,000	0	0	0	0
Woodward Resource Center Wastewater Treatment	2,443,000	0	0	0	0
New Office Building	37,585,000	0	0	-36,923,898	0
Property Acquisition	500,000	0	0	0	0
Install Pre-Heat Piping for Lucas Building	0	0	300,000	300,000	0
Capitol Complex Alternative Energy System	0	0	200,000	200,000	0
Department for the Blind					
Building Renovation	4,000,000	0	0	0	0
Dept. of Economic Development					
Accelerated Career Education (ACE) Infrastructure	5,500,000	0	4,600,000	9,725,000	0
State Fair Board					
Capitals	1,000,000	0	0	0	0
Department of Corrections					
Davenport CBC Facility	3,750,000	0	0	3,458,217	0
Fort Dodge CBC Facility	1,000,000	0	0	0	0
Cedar Rapids CBC Mental Health Facility	1,000,000	0	0	0	0
Capitals Request	0	0	0	2,797,376	0
Anamosa Dietary Renovation	0	1,400,000	0	0	0
Department of Cultural Affairs					
Great Places	3,000,000	0	0	0	0
Dept. of Education					
Community College Infrastructure	2,000,000	0	0	0	0
Department of Public Defense					
Iowa City Readiness Center	1,444,288	0	0	0	0
Waterloo Aviation Readiness Center Addition	1,236,000	0	0	0	0
Spencer Readiness Center	689,000	0	0	0	0
STARCOMM Project	600,000	0	0	0	0
Department of Public Safety					
Regional Fire Training Facilities	2,000,000	0	0	2,000,000	0
Board of Regents					
Construction Projects	10,000,000	0	0	0	0
SUI Institute of Biomedical Discovery	0	0	0	15,414,722	0
ISU Biorenewables Building	0	0	0	11,277,000	0
Dept. of Transportation					
Commercial Aviation Infrastructure	1,500,000	0	0	0	0
Public Transit Infrastructure	2,200,000	0	0	0	0
Recreational Trails	2,000,000	0	0	0	0
General Aviation Airport Grants	750,000	0	0	0	0
Iowa Veterans Home					
Capital Projects	6,200,000	0	0	0	0
Total Appropriations	<u>\$ 103,779,001</u>	<u>\$ 1,400,000</u>	<u>\$ 5,100,000</u>	<u>\$ 8,248,417</u>	<u>\$ 0</u>
Ending Balance	<u>\$ 3,821,417</u>	<u>\$ 6,485,884</u>	<u>\$ 3,185,884</u>	<u>\$ 37,467</u>	<u>\$ 3,385,884</u>

**Tobacco Settlement Trust Fund**  
**FY 2009 Tax-Exempt Restricted Capital Fund (RC3)**

	Estimated FY 2009
<b>Resources</b>	
Beginning Balance	\$ 0
Bond Proceeds	183,000,000
Total Available Resources	<u>\$ 183,000,000</u>
<b>Appropriations</b>	
Department of Administrative Services	
New State Office Building	\$ 20,000,000
Capitol Complex Utility Tunnel	4,763,078
Capitol Complex Interior/Exterior	6,900,000
Capitol Complex Electrical Distribution Upgrade	4,470,000
Hoover Building HVAC Improvements	1,500,000
Major Maintenance	15,000,000
DHS - CCUSO Renovation	829,000
Capitol Complex Energy Plant Additions and Improvements	623,000
Terrace Hill Restoration	769,543
Hoover Building Security Improvements/Fire Wall Upgrade	165,000
Mercy Capitol Hospital Purchase	3,400,000
Department of the Blind	
Dorm Remodel	869,748
Department of Corrections	
First CBC - Waterloo Residential Expansion	6,000,000
Third CBC - Sioux City Residential Expansion	5,300,000
Fifth CBC - Des Moines Residential Expansion	0
Eighth CBC - Ottumwa Residential Expansion	4,100,000
Community Treatment Resource Center	0
Iowa Correctional Institution for Women Expansion	47,500,000
Mt. Pleasant/Rockwell City Kitchen Remodeling	12,500,000
Department of Education	
Community College Infrastructure	2,000,000
Department of Natural Resources	
Volga River Rec. Area Infrastructure Impr.	750,000
Carter Lake Improvements	500,000
Lake Restoration and Dredging Projects	8,600,000
Honey Creek Resort State Park	4,900,000
Regents	
Iowa Public Radio Infrastructure	2,000,000
State Fair Authority	
Ag Exhibition Center	5,000,000
Department of Transportation	
Public Transit Infrastructure	2,200,000
Commercial Airport Vertical Infrastructure	1,500,000
Department of Veterans Affairs	
Iowa Veterans Home Master Plan	20,555,329
Veterans Memorial	100,000
Total Expenditures	<u>\$ 182,794,698</u>
Ending Balance	<u>\$ 205,302</u>

## Technology Reinvestment Fund

	Actual FY 2008	Estimated FY 2009	Gov. Rec. FY 2010	Legislative Action FY 2010
<b>Resources</b>				
Beginning Balance	\$ 0	\$ 290,193	\$ 289,026	\$ 289,026
General Fund Appropriation	17,500,000	0	0	0
Rebuild Iowa Infrastructure Fund	0	17,500,000	14,500,000	17,500,000
Total Available Resources	<u>\$ 17,500,000</u>	<u>\$ 17,790,193</u>	<u>\$ 14,789,026</u>	<u>\$ 17,789,026</u>
<b>Appropriations</b>				
Dept. of Administrative Services				
Technology Projects	\$ 3,810,375	\$ 3,980,255	\$ 2,037,184	\$ 0
Service Oriented Architecture	254,992	0	0	0
Dept. of Corrections				
Offender Management System	500,000	500,000	500,000	0
Department of Cultural Affairs				
Iowa Veterans Oral Histories Interactive Exhibit	0	500,000	486,250	486,250
Dept. of Education				
IPTV - HDTV Conversion	0	0	0	0
ICN Part III & Maintenance & Leases	2,727,000	2,727,000	2,727,000	0
Sr. Plus Transcript Depository - Data Warehouse	0	0	500,000	0
Iowa Learning Technologies	500,000	0	0	0
Statewide Education Data Warehouse	600,000	600,000	600,000	0
IPTV - Generators and Transmitters	0	1,602,437	0	0
IPTV - Replace Keosauqua Tower Antenna, Bldg.	0	701,500	0	0
Skills Iowa Technology Grant Fund	0	500,000	0	0
Department of Human Rights				
Criminal Justice Information System Integration	2,881,466	1,839,852	0	0
Department of Human Services				
Child Support Recovery Unit Payment Process. Equip.	272,000	0	0	0
Iowa Telecom. and Technology Commission				
ICN Equipment Replacement	2,067,000	2,190,123	2,211,863	0
Generator Replacement	0	0	2,755,246	0
Network Redundancy	0	0	2,320,000	0
Redundancy for Continuity of Operations (Fiber)	0	1,800,000	0	0
Iowa Workforce Development				
Automated Worker's Comp. Appeal System.	500,000	0	0	0
Outcome Tracking System	580,000	0	0	0
Law Enforcement Academy				
Technology Upgrades	0	0	185,000	0
Department of Public Defense				
Technology Enhancements	111,000	0	0	0
Department of Public Safety				
Technology Enhancements	1,900,000	0	0	0
Auto. Fingerprint Info. System (AFIS) Lease Purchase	560,000	560,000	350,000	0
Board of Regents				
MyEntreNet Project	235,000	0	0	0
Total Appropriations	<u>\$ 17,498,833</u>	<u>\$ 17,501,167</u>	<u>\$ 14,672,543</u>	<u>\$ 486,250</u>
Reversions	-289,026	0	0	0
Ending Balance	<u>\$ 290,193</u>	<u>\$ 289,026</u>	<u>\$ 116,483</u>	<u>\$ 17,302,776</u>

## FY 2009 Prison Bonding Fund

	Estimated FY 2009	Gov. Rec. FY 2010
<b>Resources</b>		
Beginning Balance	\$ 0	\$ 322,500
Revenues		
Bond Proceeds	131,000,000	0
Total Available Resources	<u>131,000,000</u>	<u>322,500</u>
<b>Expenditures</b>		
Department of Corrections		
Iowa State Penitentiary	<u>130,677,500</u>	<u>0</u>
Total Expenditures	<u>130,677,500</u>	<u>0</u>
Ending Balance	<u><u>\$ 322,500</u></u>	<u><u>\$ 322,500</u></u>



## Rebuild Iowa Infrastructure Investment Bond Proceeds

	Gov. Rec. FY 2009
<b>Resources</b>	
Beginning Balance	\$ 0
Bond Proceeds	700,000,000
Total Available Resources	<u>\$ 700,000,000</u>
<b>Appropriations</b>	
Department of Administrative Services	
Major Maintenance	\$ 15,000,000
Capitol Complex Utility Tunnel	1,000,000
Capitol Complex Interior/Exterior	6,900,000
Capitol Complex Electrical Distribution Upgrade	850,000
Hoover Building HVAC Improvements	1,500,000
DHS - CCUSO Renovation	829,000
Capitol Complex Energy Plant Additions and Improvements	623,000
Terrace Hill Restoration	769,543
Hoover Building Security Improvements/Fire Wall Upgrade	165,000
Mercy Capitol Hospital Purchase	3,900,000
Department of the Blind	
Dorm Remodel	869,748
Department of Corrections	
First CBC - Waterloo Residential Expansion	6,000,000
Third CBC - Sioux City Residential Expansion	5,300,000
Seventh CBC - Davenport Facility	2,100,000
Eighth CBC - Ottumwa Residential Expansion	4,100,000
Community Treatment Resource Center	0
Iowa Correctional Institution for Women Expansion	47,500,000
Mt. Pleasant/Rockwell City Kitchen Remodeling	12,500,000
Department of Education	
Community College Infrastructure	2,000,000
Department of Natural Resources	
Volga River Rec. Area Infrastructure Impr.	750,000
Carter Lake Improvements	500,000
Lake Restoration and Dredging Projects	8,600,000
Regents	
Iowa Public Radio Infrastructure	2,000,000
State Fair Authority	
Ag Exhibition Center	8,000,000
Department of Transportation	
Public Transit Infrastructure	2,200,000
Commercial Airport Vertical Infrastructure	1,500,000
Department of Veterans Affairs	
Iowa Veterans Home Master Plan	20,555,329
Total Expenditures	<u>\$ 156,011,620</u>
Ending Balance	<u>\$ 543,988,380</u>

Note: The Governor indicates that the remaining Fund balance is available for distribution. Information on how the funds are to be distributed are not yet available.

# **APPENDIX C**

## **Appropriations Tracking**

### **Other Funds**

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<b><u>Administrative Services, Dept. of</u></b>					
<b>Administrative Services</b>					
DAS Distribution Account-RIIF	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 1,000,000	50.0%
Capitol Shuttle-RIIF	0	170,000	0	-170,000	-100.0%
I/3 Human Resources Module RFP-RIIF	0	200,000	0	-200,000	-100.0%
Enterprise Resource Planning-I/3-RIIF	1,500,000	0	0	0	0.0%
<b>Total Administrative Services, Dept. of</b>	<b>\$ 3,500,000</b>	<b>\$ 2,370,000</b>	<b>\$ 3,000,000</b>	<b>\$ 630,000</b>	<b>26.6%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<b><u>Administrative Services - Capitals</u></b>					
<b>Administrative Services - Capitals</b>					
DGS-Routine Maintenance-RIIF	\$ 5,000,000	\$ 3,000,000	\$ 0	\$ -3,000,000	-100.0%
Cap. Complex Master Plan-RIIF	0	250,000	0	-250,000	-100.0%
Property Acquisition-RIIF	1,000,000	1,000,000	0	-1,000,000	-100.0%
Install Pre-Heat Piping-RC2	0	300,000	0	-300,000	-100.0%
Cap. Complex Alternative Energy Sys.-RC2	0	200,000	0	-200,000	-100.0%
ITE Pooled Technology-TRF	3,810,375	3,980,255	2,037,184	-1,943,071	-48.8%
New State Office Building-RC3	0	20,000,000	0	-20,000,000	-100.0%
New State Office Building	0	0	5,000,000	5,000,000	0.0%
Complex Utility Tunnel-RIIF	260,000	0	0	0	0.0%
Capitol Interior/Exterior-RIIF	6,300,000	0	0	0	0.0%
Cap Comp Elect Dist Upgrade-RIIF	3,460,960	0	0	0	0.0%
Hoover Bldg HVAC Improve.-RIIF	1,320,000	0	0	0	0.0%
Energy Plant & Additions-RIIF	998,000	0	0	0	0.0%
Major Maintenance-VIF	40,000,000	0	0	0	0.0%
DHS CCUSO Facility-RIIF	750,000	0	0	0	0.0%
Leases/Assistance-RIIF	1,824,500	0	0	0	0.0%
West Capitol Terrace-RIIF	1,600,000	0	0	0	0.0%
Sidewalk & Parking Lot Repairs-RIIF	1,650,000	0	0	0	0.0%
Vehicle Dispatch Fleet Relocation-RIIF	350,000	0	0	0	0.0%
Workers' Monument-RIIF	200,000	0	0	0	0.0%
Service Oriented Architecture-TRF	254,992	0	0	0	0.0%
DHS Iowa Juvenile School Home New Education &	3,100,000	0	0	0	0.0%
Disabled Veterans Memorial-RIIF	50,000	0	0	0	0.0%
Cap. Complex Utility Tunnel-RC3	0	4,763,078	0	-4,763,078	-100.0%
Project Manager IVH-RIIF	0	200,000	0	-200,000	-100.0%
Capitol Restoration-RC3	0	6,900,000	0	-6,900,000	-100.0%
Electrical Distribution System-RC3	0	4,470,000	0	-4,470,000	-100.0%
Hoover HVAC-RC3	0	1,500,000	0	-1,500,000	-100.0%
Central Energy Plant Improvements-RC3	0	623,000	0	-623,000	-100.0%
Hoover Security & Firewall Protection-RC3	0	165,000	0	-165,000	-100.0%
Major Repair and Maintenance-RC3	0	15,000,000	0	-15,000,000	-100.0%
Purchase Mercy Capitol Hospital-RC3	0	3,400,000	0	-3,400,000	-100.0%
Terrace Hill Major Maintenance-RC3	0	769,543	0	-769,543	-100.0%
DHS-CCUSO Renovation-RC3	0	829,000	0	-829,000	-100.0%
Terrace Hill Renovation-RCF	0	186,457	0	-186,457	-100.0%
<b>Total Administrative Services - Capitals</b>	<b>\$ 71,928,827</b>	<b>\$ 67,536,333</b>	<b>\$ 7,037,184</b>	<b>\$ -60,499,149</b>	<b>-89.6%</b>
<b><u>Agriculture and Land Stewardship</u></b>					
<b>Agriculture and Land Stewardship</b>					
IA Jr. Gelbvieh Association-RIIF	\$ 0	\$ 10,000	\$ 0	\$ -10,000	-100.0%

## Transportation, Infrastructure, and Capitals

### Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
Total Agriculture and Land Stewardship	\$ 0	\$ 10,000	\$ 0	\$ -10,000	-100.0%

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008 (1)	Estimated FY 2009 (2)	Gov Rec FY 2010 (3)	Gov Rec vs Est FY 2009 (4)	Percent Change (5)
<b>Blind Capitals, Dept. for the</b>					
<b>Dept. for the Blind Capitals</b>					
Blind Building Renovation-RC3	\$ 0	\$ 869,748	\$ 0	\$ -869,748	-100.0%
<b>Total Blind Capitals, Dept. for the</b>	<b>\$ 0</b>	<b>\$ 869,748</b>	<b>\$ 0</b>	<b>\$ -869,748</b>	<b>-100.0%</b>
<b>Corrections, Dept. of</b>					
<b>Central Office</b>					
Iowa Corrections Offender Network-TRF	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0	0.0%
<b>Total Corrections, Dept. of</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>	<b>\$ 0</b>	<b>0.0%</b>
<b>Corrections Capital</b>					
<b>Corrections Capital</b>					
DOC A & E Funding-RIIF	\$ 0	\$ 1,000,000	\$ 0	\$ -1,000,000	-100.0%
Project Manager-RIIF	0	500,000	1,750,000	1,250,000	250.0%
CBC Sioux City Bed Expansion-RC3	0	5,300,000	0	-5,300,000	-100.0%
CBC Ottumwa Bed Expansion-RC3	0	4,100,000	0	-4,100,000	-100.0%
CBC Waterloo Bed Expansion-RC3	0	6,000,000	0	-6,000,000	-100.0%
Iowa Correctional Inst. for Women-RC3	0	47,500,000	0	-47,500,000	-100.0%
Mt. Pleasant/Rockwell City Kitchens-RC3	0	12,500,000	0	-12,500,000	-100.0%
Iowa State Penitentiary-Bond Fund	0	130,677,500	0	-130,677,500	-100.0%
CBC Cedar Rapids MH Facility-RIIF	1,300,000	0	0	0	0.0%
ISP Electrical Lease-RIIF	333,168	0	0	0	0.0%
Anamosa Dietary Renovation-RC2	1,400,000	0	0	0	0.0%
Anamosa Boiler-RIIF	25,000	0	0	0	0.0%
Fort Dodge CBC Facility-RIIF	2,450,000	0	0	0	0.0%
DOC Capitals Request-RIIF	5,495,000	0	0	0	0.0%
ICIW Master Plan-RIIF	500,000	0	0	0	0.0%
CBC Des Moines Expansion-RIIF	0	200,000	0	-200,000	-100.0%
<b>Total Corrections Capital</b>	<b>\$ 11,503,168</b>	<b>\$ 207,777,500</b>	<b>\$ 1,750,000</b>	<b>\$ -206,027,500</b>	<b>-99.2%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<b><u>Cultural Affairs, Dept. of</u></b>					
<b>Cultural Affairs, Dept. of</b>					
Grout Museum Oral History Exhibit-TRF	\$ 0	\$ 500,000	\$ 486,250	\$ -13,750	-2.8%
Historic Preservation-RIIF	0	1,000,000	0	-1,000,000	-100.0%
Kimball Organ Restoration-RIIF	0	80,000	0	-80,000	-100.0%
Great Places Capitals-RIIF	0	2,000,000	1,900,000	-100,000	-5.0%
Battle Flags-RIIF	0	220,000	0	-220,000	-100.0%
<b>Total Cultural Affairs, Dept. of</b>	<b>\$ 0</b>	<b>\$ 3,800,000</b>	<b>\$ 2,386,250</b>	<b>\$ -1,413,750</b>	<b>-37.2%</b>
<b><u>Cultural Affairs Capital</u></b>					
<b>Cultural Affairs Capital</b>					
Great Places Capitals-RIIF	\$ 3,000,000	\$ 0	\$ 0	\$ 0	0.0%
Historic Preservation-RIIF	1,000,000	0	0	0	0.0%
Battle Flags-RIIF	220,000	0	0	0	0.0%
<b>Total Cultural Affairs Capital</b>	<b>\$ 4,220,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.0%</b>
<b><u>Economic Development, Dept. of</u></b>					
<b>Economic Development, Dept. of</b>					
Innovation & Commercialization-RIIF	\$ 900,000	\$ 900,000	\$ 0	\$ -900,000	-100.0%
Community & Tourism Grant-RIIF	5,000,000	12,000,000	10,000,000	-2,000,000	-16.7%
ACE Infrastructure-RIIF	5,500,000	900,000	900,000	0	0.0%
Workforce Training and Economic Development Fu	2,000,000	2,000,000	0	-2,000,000	-100.0%
Regional Sports Authorities-RIIF	500,000	500,000	0	-500,000	-100.0%
Grow Iowa Values Fund-RIIF	0	50,000,000	47,500,000	-2,500,000	-5.0%
Central Iowa Expo-RIIF	250,000	0	0	0	0.0%
Des Moines Multiuse Comm. Ctr-RIIF	0	100,000	0	-100,000	-100.0%
RECAT-RIIF	0	10,000,000	0	-10,000,000	-100.0%
ACE Infrastructure-RC2	0	4,600,000	0	-4,600,000	-100.0%
<b>Total Economic Development, Dept. of</b>	<b>\$ 14,150,000</b>	<b>\$ 81,000,000</b>	<b>\$ 58,400,000</b>	<b>\$ -22,600,000</b>	<b>-27.9%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008 (1)	Estimated FY 2009 (2)	Gov Rec FY 2010 (3)	Gov Rec vs Est FY 2009 (4)	Percent Change (5)
<b><u>Education, Dept. of</u></b>					
<b>Education, Dept. of</b>					
ICN Part III Leases & Maint.-TRF	\$ 2,727,000	\$ 2,727,000	\$ 2,727,000	\$ 0	0.0%
Iowa Learning Technologies-RIIF	0	250,000	0	-250,000	-100.0%
Sr. Plus Transcript Depository-TRF	0	0	500,000	500,000	0.0%
Education Data Warehouse-TRF	600,000	600,000	600,000	0	0.0%
Enrich Iowa-RIIF	0	1,000,000	1,000,000	0	0.0%
Skills Iowa Technology Grant-TRF	0	500,000	0	-500,000	-100.0%
Ag. Learning Center(EICC)-RIIF	0	80,000	0	-80,000	-100.0%
<b>Total Education, Dept. of</b>	<b>\$ 3,327,000</b>	<b>\$ 5,157,000</b>	<b>\$ 4,827,000</b>	<b>\$ -330,000</b>	<b>-6.4%</b>
<b>Iowa Public Television</b>					
Generators-TRF	\$ 0	\$ 1,602,437	\$ 0	\$ -1,602,437	-100.0%
Digital Translator-TRF	0	701,500	0	-701,500	-100.0%
<b>Total Iowa Public Television</b>	<b>\$ 0</b>	<b>\$ 2,303,937</b>	<b>\$ 0</b>	<b>\$ -2,303,937</b>	<b>-100.0%</b>
<b>Total Education, Dept. of</b>	<b>\$ 3,327,000</b>	<b>\$ 7,460,937</b>	<b>\$ 4,827,000</b>	<b>\$ -2,633,937</b>	<b>-35.3%</b>
<b><u>Education Capital</u></b>					
<b>Education Capital</b>					
Community College Infrastructure-RC3	\$ 0	\$ 2,000,000	\$ 0	\$ -2,000,000	-100.0%
Enrich Iowa-RIIF	1,000,000	0	0	0	0.0%
Iowa Learning Technologies-TRF	500,000	0	0	0	0.0%
IPTV Capitals-RIIF	1,275,000	0	0	0	0.0%
Community College Infra.-RIIF	2,000,000	0	0	0	0.0%
NEICC Ag Safety-RIIF	35,000	0	0	0	0.0%
<b>Total Education Capital</b>	<b>\$ 4,810,000</b>	<b>\$ 2,000,000</b>	<b>\$ 0</b>	<b>\$ -2,000,000</b>	<b>-100.0%</b>
<b><u>Human Rights, Dept. of</u></b>					
<b>Human Rights, Department of</b>					
Criminal Justice Info. System-TRF	\$ 2,881,466	\$ 1,839,852	\$ 0	\$ -1,839,852	-100.0%
<b>Total Human Rights, Dept. of</b>	<b>\$ 2,881,466</b>	<b>\$ 1,839,852</b>	<b>\$ 0</b>	<b>\$ -1,839,852</b>	<b>-100.0%</b>



# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008 (1)	Estimated FY 2009 (2)	Gov Rec FY 2010 (3)	Gov Rec vs Est FY 2009 (4)	Percent Change (5)
<b><u>Human Services, Dept. of</u></b>					
<b>Assistance</b>					
Nursing Facility Renov. & Const.-RIIF	\$ 0	\$ 600,000	\$ 0	\$ -600,000	-100.0%
Child Dev. Health Ins Study-RIIF	0	50,000	0	-50,000	-100.0%
Child Care Workgroup-RIIF	0	30,000	0	-30,000	-100.0%
Comm. & Family Resource Ctr-RIIF	0	15,000	0	-15,000	-100.0%
<b>Total Human Services, Dept. of</b>	<b>\$ 0</b>	<b>\$ 695,000</b>	<b>\$ 0</b>	<b>\$ -695,000</b>	<b>-100.0%</b>
<b><u>Human Services Capital</u></b>					
<b>Human Services - Capital</b>					
Nursing Facility Financial Assist.-RIIF	\$ 1,000,000	\$ 0	\$ 0	\$ 0	0.0%
CSRU Payment Processing Equip.-TRF	272,000	0	0	0	0.0%
<b>Total Human Services Capital</b>	<b>\$ 1,272,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.0%</b>
<b><u>Iowa Finance Authority</u></b>					
<b>Iowa Finance Authority</b>					
IFA Water Quality Grants-RIIF	\$ 4,000,000	\$ 3,000,000	\$ 0	\$ -3,000,000	-100.0%
State Housing Trust Fund-RIIF	2,500,000	3,000,000	3,000,000	0	0.0%
<b>Total Iowa Finance Authority</b>	<b>\$ 6,500,000</b>	<b>\$ 6,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ -3,000,000</b>	<b>-50.0%</b>
<b><u>Iowa Tele. &amp; Tech. Commission</u></b>					
<b>Iowa Communications Network</b>					
ICN Equipment Replacement-TRF	\$ 2,067,000	\$ 2,190,123	\$ 2,211,863	\$ 21,740	1.0%
Generator Replacement - TRF	0	0	2,755,246	2,755,246	0.0%
ICN Network Redundancy-TRF	0	0	2,320,000	2,320,000	0.0%
ICN Fiber Redundancy-TRF	0	1,800,000	0	-1,800,000	-100.0%
<b>Total Iowa Tele. &amp; Tech. Commission</b>	<b>\$ 2,067,000</b>	<b>\$ 3,990,123</b>	<b>\$ 7,287,109</b>	<b>\$ 3,296,986</b>	<b>82.6%</b>
<b><u>Iowa Workforce Development</u></b>					
<b>Iowa Workforce Development</b>					
Worker's Comp. Appeal System-TRF	\$ 500,000	\$ 0	\$ 0	\$ 0	0.0%
Outcome Tracking System-TRF	580,000	0	0	0	0.0%
<b>Total Iowa Workforce Development</b>	<b>\$ 1,080,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.0%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008 (1)	Estimated FY 2009 (2)	Gov Rec FY 2010 (3)	Gov Rec vs Est FY 2009 (4)	Percent Change (5)
<b><u>Law Enforcement Academy</u></b>					
<b>Law Enforcement Academy</b>					
ILEA Technology Projects-TRF	\$ 0	\$ 0	\$ 185,000	\$ 185,000	0.0%
<b>Total Law Enforcement Academy</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 185,000</u>	<u>\$ 185,000</u>	<u>0.0%</u>
<b><u>Natural Resources, Dept. of</u></b>					
<b>Natural Resources</b>					
Lowhead Dam Program-RIIF	\$ 0	\$ 1,000,000	\$ 0	\$ -1,000,000	-100.0%
Plasma Arc Technology-RIIF	0	150,000	0	-150,000	-100.0%
<b>Total Natural Resources, Dept. of</b>	<u>\$ 0</u>	<u>\$ 1,150,000</u>	<u>\$ 0</u>	<u>\$ -1,150,000</u>	<u>-100.0%</u>
<b><u>Natural Resources Capital</u></b>					
<b>Natural Resources Capital</b>					
Volga River-RC3	\$ 0	\$ 750,000	\$ 0	\$ -750,000	-100.0%
Carter Lake Improvements-RC3	0	500,000	0	-500,000	-100.0%
Honey Creek Destination Park-RC3	0	4,900,000	0	-4,900,000	-100.0%
Lake Rest. & Dredging Projects-RC3	0	8,600,000	0	-8,600,000	-100.0%
Floodplain Mgmt/Dam Safety-RIIF	0	0	3,000,000	3,000,000	0.0%
Lake Delhi Improvements-RIIF	100,000	100,000	0	-100,000	-100.0%
DNR-Destination Park-RCF	0	3,100,000	0	-3,100,000	-100.0%
Lakes Restoration & Water Quality-RIIF	8,600,000	0	0	0	0.0%
State Park Infrastructure-RIIF	2,500,000	0	0	0	0.0%
Volga Lake Recreation Area-RIIF	750,000	0	0	0	0.0%
Carter Lake Improvements-RIIF	500,000	0	0	0	0.0%
Mines of Spain Park-RIIF	100,000	0	0	0	0.0%
<b>Total Natural Resources Capital</b>	<u>\$ 12,550,000</u>	<u>\$ 17,950,000</u>	<u>\$ 3,000,000</u>	<u>\$ -14,950,000</u>	<u>-83.3%</u>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<b><u>Public Defense Capital</u></b>					
<b>Public Defense Capital</b>					
Armory Construction Projects-RIIF	\$ 0	\$ 1,800,000	\$ 1,800,000	\$ 0	0.0%
Camp Dodge Water Project Phase 3-RIIF	400,000	410,000	0	-410,000	-100.0%
Facility/Armory Maintenance-RIIF	1,500,000	1,500,000	900,000	-600,000	-40.0%
Ottumwa Armory-RIIF	1,000,000	500,000	0	-500,000	-100.0%
Camp Dodge Electrical Distribution System Upgrac	0	526,000	0	-526,000	-100.0%
Camp Dodge Readiness Center-RIIF	50,000	0	0	0	0.0%
Iowa City Readiness Center-RIIF	1,200,000	0	0	0	0.0%
Waterloo Aviation Readiness Center-RIIF	500,000	0	0	0	0.0%
Newton Readiness Center-RIIF	400,000	0	0	0	0.0%
Eagle Grove Readiness Center-RIIF	400,000	0	0	0	0.0%
Law Enf./Nat'l Guard Shoot House-RIIF	500,000	0	0	0	0.0%
STARCOMM-RIIF	2,000,000	0	0	0	0.0%
Technology Upgrades-TRF	111,000	0	0	0	0.0%
STARCOMM-RIIF	0	1,600,000	0	-1,600,000	-100.0%
Gold Star Museum-RIIF	1,000,000	2,000,000	1,000,000	-1,000,000	-50.0%
<b>Total Public Defense Capital</b>	<b>\$ 9,061,000</b>	<b>\$ 8,336,000</b>	<b>\$ 3,700,000</b>	<b>\$ -4,636,000</b>	<b>-55.6%</b>
<b><u>Public Health, Dept. of</u></b>					
<b>Public Health, Dept. of</b>					
Vision Screening-RIIF	\$ 0	\$ 130,000	\$ 0	\$ -130,000	-100.0%
<b>Total Public Health, Dept. of</b>	<b>\$ 0</b>	<b>\$ 130,000</b>	<b>\$ 0</b>	<b>\$ -130,000</b>	<b>-100.0%</b>
<b><u>Public Safety Capital</u></b>					
<b>Public Safety Capital</b>					
AFIS Lease Purchase-TRF	\$ 560,000	\$ 560,000	\$ 350,000	\$ -210,000	-37.5%
Mason City Patrol Post-RIIF	2,400,000	0	0	0	0.0%
DPS Technology Projects-TRF	1,900,000	0	0	0	0.0%
Regional Fire Training Facility-RIIF	1,400,000	0	0	0	0.0%
Emergency Response Training Facility-RIIF	2,000,000	0	0	0	0.0%
<b>Total Public Safety Capital</b>	<b>\$ 8,260,000</b>	<b>\$ 560,000</b>	<b>\$ 350,000</b>	<b>\$ -210,000</b>	<b>-37.5%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008 (1)	Estimated FY 2009 (2)	Gov Rec FY 2010 (3)	Gov Rec vs Est FY 2009 (4)	Percent Change (5)
<b><u>Regents, Board of</u></b>					
<b>Regents, Board of</b>					
Tuition Replacement-RIIF	\$ 0	\$ 24,305,412	\$ 24,305,412	\$ 0	0.0%
ISU-Midwest Grape & Wine Institute-RIIF	0	50,000	0	-50,000	-100.0%
<b>Total Regents, Board of</b>	<b>\$ 0</b>	<b>\$ 24,355,412</b>	<b>\$ 24,305,412</b>	<b>\$ -50,000</b>	<b>-0.2%</b>
<b><u>Regents Capital</u></b>					
<b>Regents Capital</b>					
Iowa Public Radio	\$ 0	\$ 2,000,000	\$ 0	\$ -2,000,000	-100.0%
Tuition Replacement-RIIF	10,329,981	0	0	0	0.0%
ISU Veterinary Lab-VIF	600,000	0	0	0	0.0%
ISU Veterinary Laboratory-RIIF	0	1,800,000	0	-1,800,000	-100.0%
SUI-Inst. for Biomedical Discovery-RIIF	10,000,000	10,000,000	10,000,000	0	0.0%
Fire Safety and Deferred Maint.-VIF	1,000,000	0	0	0	0.0%
SUI Hygienic Laboratory-RIIF	15,650,000	12,000,000	0	-12,000,000	-100.0%
ISU - Renewable Fuels Building-RIIF	5,647,000	14,756,000	11,597,000	-3,159,000	-21.4%
UNI - MyEntreNet-TRF	235,000	0	0	0	0.0%
<b>Total Regents Capital</b>	<b>\$ 43,461,981</b>	<b>\$ 40,556,000</b>	<b>\$ 21,597,000</b>	<b>\$ -18,959,000</b>	<b>-46.7%</b>
<b><u>Revenue, Dept. of</u></b>					
<b>Revenue, Dept. of</b>					
SAVE Appropriation-RIIF	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 0	0.0%
<b>Total Revenue, Dept. of</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ 0</b>	<b>0.0%</b>
<b><u>Secretary of State</u></b>					
<b>Secretary of State</b>					
Voting Machine Reimb.-RIIF	\$ 2,000,000	\$ 0	\$ 0	\$ 0	0.0%
Optical Scan Voting Systems-RIIF	4,900,880	0	0	0	0.0%
<b>Total Secretary of State</b>	<b>\$ 6,900,880</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0.0%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<b><u>State Fair Authority Capital</u></b>					
<b>State Fair Authority Capital</b>					
Agricultural Exhibition Center-RC3	\$ 0	\$ 5,000,000	\$ 0	\$ -5,000,000	-100.0%
Agri. Exhibition Center-RIIF	3,000,000	0	0	0	0.0%
<b>Total State Fair Authority Capital</b>	<b>\$ 3,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 0</b>	<b>\$ -5,000,000</b>	<b>-100.0%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<b>Transportation, Dept. of</b>					
<b>Transportation, Dept. of</b>					
Dubuque Depot Platform-RIIF	\$ 0	\$ 300,000	\$ 0	\$ -300,000	-100.0%
Public Transit Fund-RC3	0	2,200,000	0	-2,200,000	-100.0%
Commercial Aviation Infrastructure-RC3	0	1,500,000	0	-1,500,000	-100.0%
RUTF-Drivers' Licenses	3,047,000	3,047,000	4,195,000	1,148,000	37.7%
RUTF-Operations	6,367,178	6,524,336	6,657,336	133,000	2.0%
RUTF-Planning & Programming	493,945	501,515	506,515	5,000	1.0%
RUTF-Motor Vehicle	34,530,525	35,184,012	36,752,012	1,568,000	4.5%
RUTF-DAS	188,207	183,000	225,000	42,000	23.0%
RUTF-Unemployment Compensation	17,000	17,000	7,000	-10,000	-58.8%
RUTF-Workers' Compensation	108,000	117,000	142,000	25,000	21.4%
RUTF-Indirect Cost Recoveries	102,000	102,000	78,000	-24,000	-23.5%
RUTF-Auditor Reimbursement	60,988	64,082	67,319	3,237	5.1%
RUTF-County Treasurers Support	1,832,000	1,442,000	1,394,000	-48,000	-3.3%
RUTF-Road/Weather Conditions Info	100,000	100,000	100,000	0	0.0%
RUTF-Mississippi River Park. Comm.	40,000	61,000	40,000	-21,000	-34.4%
RUTF-N. America Super Corridor Coalition	50,000	50,000	50,000	0	0.0%
RUTF-IRP/IFTA	1,000,000	0	0	0	0.0%
RUTF-Overdimension Permit System	0	1,000,000	0	-1,000,000	-100.0%
PRF-Operations	39,111,314	40,653,860	40,890,860	237,000	0.6%
PRF-Planning & Programming	9,375,862	9,616,696	9,611,696	-5,000	-0.1%
PRF-Highway	226,542,410	223,274,176	236,263,176	12,989,000	5.8%
PRF-Motor Vehicle	1,481,497	2,020,005	1,555,005	-465,000	-23.0%
PRF-DAS	1,153,417	1,121,000	1,382,000	261,000	23.3%
PRF-DOT Unemployment	328,000	328,000	138,000	-190,000	-57.9%
PRF-DOT Workers' Compensation	2,592,000	2,814,000	3,406,000	592,000	21.0%
PRF-Garage Fuel & Waste Mgmt.	800,000	800,000	800,000	0	0.0%
PRF-Indirect Cost Recoveries	748,000	748,000	572,000	-176,000	-23.5%
PRF-Auditor Reimbursement	376,212	395,218	415,181	19,963	5.1%
PRF-Transportation Maps	242,000	242,000	242,000	0	0.0%
PRF-Inventory & Equip.	2,250,000	2,250,000	2,250,000	0	0.0%
PRF-Field Facility Deferred Maint.	351,500	500,000	1,000,000	500,000	100.0%
Recreational Trails-RIIF	2,000,000	3,000,000	0	-3,000,000	-100.0%
Rail Revolving Loan & Grant Fund-RIIF	2,000,000	2,000,000	0	-2,000,000	-100.0%
General Aviation Grants-RIIF	750,000	750,000	0	-750,000	-100.0%
Public Transit Infrastructure-RIIF	2,200,000	0	0	0	0.0%
Commercial Air Service-RIIF	1,500,000	0	0	0	0.0%
Aviation Authority Assistance-SAF	20,000	0	0	0	0.0%
<b>Total Transportation, Dept. of</b>	<b>\$ 341,759,055</b>	<b>\$ 342,905,900</b>	<b>\$ 348,740,100</b>	<b>\$ 5,834,200</b>	<b>1.7%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008 (1)	Estimated FY 2009 (2)	Gov Rec FY 2010 (3)	Gov Rec vs Est FY 2009 (4)	Percent Change (5)
<b><u>Transportation Capitals</u></b>					
<b>Transportation Capital</b>					
PRF-Rockwell City Garage	\$ 0	\$ 0	\$ 3,000,000	\$ 3,000,000	0.0%
PRF-Utility Improvements	400,000	400,000	400,000	0	0.0%
PRF-Garage Roofing Projects	100,000	200,000	200,000	0	0.0%
PRF-HVAC Improvements	100,000	100,000	100,000	0	0.0%
PRF-ADA Improvements	200,000	120,000	120,000	0	0.0%
PRF-Ames Elevator Upgrade	100,000	100,000	100,000	0	0.0%
PRF-Clarinda Garage	2,300,000	0	0	0	0.0%
RUTF-Scale/MVD Facilities Maint.	100,000	200,000	200,000	0	0.0%
PRF-Waukon Garage	0	2,500,000	0	-2,500,000	-100.0%
<b>Total Transportation Capitals</b>	<b>\$ 3,300,000</b>	<b>\$ 3,620,000</b>	<b>\$ 4,120,000</b>	<b>\$ 500,000</b>	<b>13.8%</b>
<b><u>Treasurer of State</u></b>					
<b>Treasurer of State</b>					
County Fair Improvements-RIIF	\$ 1,590,000	\$ 1,590,000	\$ 0	\$ -1,590,000	-100.0%
Watershed Protection-ENDW	5,000,000	0	0	0	0.0%
Watershed Improvement Fund-RIIF	0	5,000,000	0	-5,000,000	-100.0%
<b>Total Treasurer of State</b>	<b>\$ 6,590,000</b>	<b>\$ 6,590,000</b>	<b>\$ 0</b>	<b>\$ -6,590,000</b>	<b>-100.0%</b>
<b><u>Veterans Affairs, Dept. of</u></b>					
<b>Veterans Affairs, Department of</b>					
Vet. Home Ownership Assistance-RIIF	\$ 0	\$ 1,600,000	\$ 1,600,000	\$ 0	0.0%
Dubuque Veterans Memorial Plaza-RC3	0	100,000	0	-100,000	-100.0%
<b>Total Veterans Affairs, Department of</b>	<b>\$ 0</b>	<b>\$ 1,700,000</b>	<b>\$ 1,600,000</b>	<b>\$ -100,000</b>	<b>-5.9%</b>
<b>Veterans Affairs, Dept. of</b>					
Veterans Home Ownership Assist.-RIIF	\$ 1,000,000	\$ 0	\$ 0	\$ 0	0.0%
<b>Total Veterans Affairs, Dept. of</b>	<b>\$ 1,000,000</b>	<b>\$ 1,700,000</b>	<b>\$ 1,600,000</b>	<b>\$ -100,000</b>	<b>-5.9%</b>

# Transportation, Infrastructure, and Capitals

## Other Funds

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<b><u>Veterans Affairs Capitals</u></b>					
<b>Veterans Affairs Capital</b>					
IVH Infrastructure-RIIF	\$ 532,000	\$ 0	\$ 0	\$ 0	0.0%
IVH Infrastructure-RC3	0	20,555,329	0	-20,555,329	-100.0%
<b>Total Veterans Affairs Capitals</b>	<b>\$ 532,000</b>	<b>\$ 20,555,329</b>	<b>\$ 0</b>	<b>\$ -20,555,329</b>	<b>-100.0%</b>
<b>Total Transportation, Infrastructure, and Capitals</b>	<b>\$ 574,154,377</b>	<b>\$ 869,258,134</b>	<b>\$ 505,785,055</b>	<b>\$ -363,473,079</b>	<b>-41.8%</b>



# **APPENDIX D**

## **Appropriations Tracking**

### **FTE Positions**

# Transportation, Infrastructure, and Capitals

FTE

	Actual FY 2008 (1)	Estimated FY 2009 (2)	Gov Rec FY 2010 (3)	Gov Rec vs Est FY 2009 (4)	Percent Change (5)
<u>Cultural Affairs, Dept. of</u>					
Cultural Affairs, Dept. of Battle Flags-RIIF	0.03	2.50	0.00	-2.50	-100.0%
Total Cultural Affairs, Dept. of	0.03	2.50	0.00	-2.50	-100.0%
<u>Cultural Affairs Capital</u>					
Cultural Affairs Capital					
Battle Flags-RIIF	2.60	0.00	0.00	0.00	0.0%
Historic Preservation-VIF	0.01	0.00	0.00	0.00	0.0%
Historic Preservation-RIIF	0.24	0.00	0.00	0.00	0.0%
Total Cultural Affairs Capital	2.85	0.00	0.00	0.00	0.0%
<u>Economic Development, Dept. of</u>					
Economic Development, Dept. of Community & Tourism Grant-RIIF	0.00	0.00	2.25	2.25	0.0%
Total Economic Development, Dept. of	0.00	0.00	2.25	2.25	0.0%
<u>Iowa Tele. &amp; Tech. Commission</u>					
Iowa Communications Network					
ICN Operations	93.60	99.00	97.50	-1.50	-1.5%
Total Iowa Tele. & Tech. Commission	93.60	99.00	97.50	-1.50	-1.5%
<u>Iowa Workforce Development</u>					
Iowa Workforce Development					
Outcome Tracking System-TRF	0.62	1.00	1.00	0.00	0.0%
Total Iowa Workforce Development	0.62	1.00	1.00	0.00	0.0%
<u>Natural Resources Capital</u>					
Natural Resources Capital					
Floodplain Mgmt/Dam Safety-RIIF	0.00	0.00	24.00	24.00	0.0%
Total Natural Resources Capital	0.00	0.00	24.00	24.00	0.0%

# Transportation, Infrastructure, and Capitals

FTE

	Actual FY 2008	Estimated FY 2009	Gov Rec FY 2010	Gov Rec vs Est FY 2009	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Human Rights, Dept. of</u>					
Human Rights, Department of Criminal Justice Info. System-TRF	0.13	0.00	0.00	0.00	0.0%
<b>Total Human Rights, Dept. of</b>	<b>0.13</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<u>Transportation, Dept. of</u>					
Transportation, Dept. of Operations	289.94	308.00	311.00	3.00	1.0%
Planning	107.51	131.00	131.00	0.00	0.0%
Motor Vehicle Division	477.95	481.00	498.00	17.00	3.5%
Highway	2,155.04	2,453.00	2,453.00	0.00	0.0%
Highway Beautification Fund	7.24	8.00	8.00	0.00	0.0%
Materials & Equipment Revolving Fund	78.39	81.00	81.00	0.00	0.0%
<b>Total Transportation, Dept. of</b>	<b>3,116.08</b>	<b>3,462.00</b>	<b>3,482.00</b>	<b>20.00</b>	<b>0.6%</b>
<b>Total Transportation, Infrastructure, and Capitals</b>	<b>3,213.31</b>	<b>3,564.50</b>	<b>3,606.75</b>	<b>42.25</b>	<b>1.2%</b>

## **APPENDIX E**

# **Federal Funds and Economic Stimulus**

## FEDERAL FUNDS AND ECONOMIC STIMULUS PLAN

### Federal Funds Received by Iowa (in millions)

	Actual FY 2008	Est FY 2009	Est FY 2010
Human Services	\$ 2,405.9	\$ 2,647.5	\$ 2,860.3
Education	422.9	449.7	453.1
Transportation	421.5	259.5	259.3
Workforce Development	422.4	476.9	457.4
Regents	401.2	412.0	415.6
Public Defense	103.7	144.2	201.8
Public Health	107.8	108.6	105.8
Other	279.1	276.0	239.4
	<u>\$ 4,564.5</u>	<u>\$ 4,774.4</u>	<u>\$ 4,992.7</u>

Notes:

Estimated FY 2010 is prior to passage of Federal Economic Stimulus Bill.

Other includes all State agencies reporting federal funds that are not individually identified above.

Source: Fiscal Services, LSA

### Federal Economic Stimulus Plan 2009

The Governor's budget does not include funding from the proposed Federal Economic Stimulus Act. House Leadership in the U.S. Congress has released an \$825.0 billion economic stimulus plan. The current plan combines \$550.0 billion in spending proposals, and \$275.0 billion in targeted tax reductions. The most recent estimate of state allocations lists Iowa as receiving \$1.9 billion over a two-year time period. Much of the funding will include maintenance of effort requirements and may include other program matching requirements. *At the time of publication of this document, the House passed its version of the economic stimulus plan (H.R. 1) (244Y/188N) on January 28, 2009. The Senate was expected to commence floor debate on Monday, February 2, with the first votes most likely on Tuesday, February 3. The deadline for Senators to file amendments is February 2.*

The estimated allocations listed below are likely to change prior to final enactment of the Stimulus Plan. Preliminary total estimates from FFIS indicate that the version approved by the House allocates an estimated \$2.2 billion over a two-year time period to Iowa, a \$300 million increase from the earlier House version. The Fiscal Services Division of the LSA is monitoring the federal action as closely as possible since decisions on the federal level will most likely impact FY 2010 state budget decisions. Using a variety of resources, including participation in weekly conference calls with representatives of the National Conference of State Legislatures (NCSL), the Fiscal Services Division will post relative documents and summaries of the legislation, including brief summaries of the conference calls on our website, under the heading **Federal Economic Stimulus Package**: <http://staffweb.legis.state.ia.us/lfb/>. Additional information, if known, is included in each appropriations subcommittee section of this document.

According to the most recent detailed information from Federal Funds Information for the States (FFIS), the estimated allocation of the \$1.9 billion to Iowa would be distributed as shown in the table below. An updated table with the revised estimate will be posted on the website as more details become available.

### Estimated Iowa Funds for Selected Allocations House Stimulus Fund as of 1/22/2009

Selected Allocations	Iowa Estimate*	All State Total*
Fiscal Stabilization*	\$ 622,296	\$ 63,975,000
Title I	68,968	13,000,000
Special Education	139,184	13,000,000
Education Technology	5,305	1,000,000
K-12 Construction*	74,242	13,994,000
Child Care	18,229	2,000,000
CSBG	11,605	1,000,000
Byrne JAG	29,296	3,000,000
WIA-Adult	1,745	500,000
WIA-Youth	5,395	1,200,000
Dislocated Workers	4,967	1,000,000
Highways*	353,096	29,354,200
Clean Water	82,235	6,000,000
Drinking Water	24,915	2,000,000
Weatherization	116	6,200,000
State Energy Program	48,487	3,400,000
Medicaid FMAP Hold Harmless**	0	1,973,782
Medicaid+4/9% FMAP**	300,755	35,183,338
Total	<u>\$ 1,906,362</u>	<u>\$ 197,780,781</u>
*Allocations for fiscal stabilization, school construction, and highways do not add to the total appropriation due to provisions for reserves, training, or federal costs.		
**This constitutes a partial evaluation of the impacts of the federal medical assistance percentage (FMAP) Medicaid provisions. Additional allocations would flow from the funding based on increased state unemployment rates, as shown in Issue Brief 09-02, FFIS.		
Source: Federal Funds Information Service (FFIS)		

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# **APPENDIX F**

## **Transportation and Infrastructure Related Publications**

- Fiscal Topics:
  - TIME-21 Transportation Funding Act, with Transportation Flow Charts
  - Rebuild Iowa Infrastructure Fund, with Wagering Tax Flow Chart
  - Revitalize Iowa's Sound Economy (RISE) Program
  - State Recreational Trails
  
- Debt Report – Outstanding Obligations on Selected State Debt

## TIME-21 Transportation Funding Act

This Fiscal Topic provides information on recent changes to Iowa's transportation funding resulting from the 2008 enactment of SF 2420 (TIME-21 Transportation Funding Act).

### Iowa's Transportation Funds

#### Road Use Tax Fund

The Road Use Tax Fund (RUTF) is established in Chapter 312, Code of Iowa. Prior to FY 2009, revenue sources to the Fund included:

- Motor vehicle fuel taxes
- Motor vehicle registration fees
- Title and salvage title fees
- Motor vehicle use tax (a 5.0% tax collected on the purchase of motor vehicles)
- Underground storage tank fees
- Driver's license fees
- Interest income
- Other items, including title fees, trailer registration fees, and car rental tax

Certain revenues deposited in the Road Use Tax Fund are constitutionally restricted for highway-related expenditures. Section 8, Article VII of the Iowa Constitution states the following:

"All motor vehicle registration fees and all licenses and excise taxes on motor vehicle fuel, except cost of administration, shall be used exclusively for the construction, maintenance and supervision of the public highways exclusively within the state or for the payment of bonds issued or to be issued for the construction of such public highways and the payment of interest on such bonds."

Since the adoption of Article VII, Section 8 by amendment in 1942, the

broad scope and intent of the Section, including what constitutes the "construction, maintenance and supervision of the public highways" and what revenues are considered constitutionally restricted have been challenged. The Supreme Court's interpretation and opinions issued by the Attorney General have allowed the Road Use Tax Fund to be flexibly applied to a variety of highway-related purposes.

In addition to fee increases, SF 2420 replaced the motor vehicle use tax with a one-time fee called the "Fee for New Registration."

Prior to FY 2009, the motor vehicle use tax was used to fund the following items before it was deposited in the Road Use Tax Fund:

- Primary Road Fund – for the Commercial and Industrial Highway Network (CIN)
- Department of Inspections and Appeals – for driver's license revocation hearings
- Underground Storage Tank Loan Fund
- Special License Plate Funds

In addition to the above items, Public Transit Assistance and the Motorcycle Rider Education Fund were also funded from the motor vehicle use tax, but were funded after the use tax was deposited in the Road Use Tax Fund.

Currently, all revenues deposited in the Road Use Tax Fund are distributed by formula to the Primary, Secondary, Farm-to-Market, and Municipal Road Funds and are used by State and local jurisdictions for the construction and maintenance of roads. Before the revenues are distributed, however, various allocations and appropriations are made from the Fund. These "off-the-top" allocations are used to fund programs, equipment purchases, facility improvements, and Department of Transportation (DOT) operations.

After the off-the-top allocations and appropriations are funded from the Road Use Tax Fund, the net revenues are distributed based on a formula as follows:

- 47.5% – Primary Road Fund (State)
- 24.5% – Secondary Road Fund (Counties)
- 8.0% – Farm-to-Market Road Fund (Counties)
- 20.0% – Municipal Road Fund (Cities)

(over)

### More Information

Legislative Services Agency:  
Transportation Funding Flowcharts  
[http://www.legis.state.ia.us/lsadocs/SC\\_Fisc/2009/SFMBM000.PDF](http://www.legis.state.ia.us/lsadocs/SC_Fisc/2009/SFMBM000.PDF)

Department of Transportation:  
TIME-21  
<http://www.iowadot.gov/time21/index.htm>

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## Transfer of Jurisdiction Fund

The Transfer of Jurisdiction Fund is established in Section 313.4(6)(a), Code of Iowa. From FY 2004 through FY 2013, following the 47.5% Road Use Tax Fund allocation to the Primary Road Fund, 1.75% of Primary Road Fund moneys are credited to the Transfer of Jurisdiction Fund. The funds are then transferred to cities and counties as follows:

- 75.0% to cities and counties that assumed jurisdiction of primary roads, distributed as follows:
  - 90.0% to Secondary Road Fund
  - 10.0% to Municipal Road Fund
- 22.5% to the Secondary Road Fund (for all counties)
- 2.5% to the Municipal Road Fund (for all cities)

## TIME-21 Fund

The Transportation Investment Moves the Economy in the 21<sup>st</sup> Century (TIME-21) Fund is established in Chapter 312A, Code of Iowa. The Fund consists of moneys appropriated by the General Assembly and any revenues credited by law to the Fund. Similar to the Road Use Tax Fund, the TIME-21 Fund allocates revenues to the State, cities, and counties based on the following formulas:

- 60.0% – Primary Road Fund
- 20.0% – Secondary Road Fund
- 20.0% – City Street Fund

## Changes Made By Senate File 2420

### Fee Increases

Senate File 2420, enacted during the 2008 Legislative Session, increased motor vehicle registration fees and directs the revenue generated from the fee increase, in addition to the standard fee, in excess of \$392.0 million annually to the TIME-21 Fund.

Senate File 2420 also increased the fees for trailer registrations and titles and salvage titles and deposits the revenue in the TIME-21 Fund. Additionally, the Act increased motorcycle license fees and directs the fee increase, along with the standard fee, to the newly established Statutory Allocations Fund.

### Motor Vehicle Use Tax Repeal

In addition to fee increases, SF 2420 replaced the motor vehicle use tax with a one-time fee called the “Fee for New Registration.” The Fee is equivalent to the motor vehicle use tax of 5.0% of the vehicle purchase.

Unlike the motor vehicle use tax, the Fee for New Registration is a vehicle registration fee and is constitutionally restricted to be spent for highway-related purposes. As a result, SF 2420 created the Statutory Allocations Fund to fund those items previously funded from the use tax. The following sources of revenue are deposited to the Statutory Allocations Fund:

- Driver’s license fees
- Titles and salvage titles (standard fees only)
- Trailer registrations (standard fees only)
- Title and salvage title surcharge
- Car rental tax
- Use tax on mobile homes and manufactured homes and on leased vehicles not subject to registration and titling
- Fee for New Registration for trailers

The items previously funded from the motor vehicle use tax and now funded from the Statutory Allocations Fund are shown below. Senate File 2420 requires the items to be funded in the following order:

- Underground Storage Tank Loan Fund
- Public Transit Assistance
- Motorcycle Rider Education Fund
- Special License Plate Funds
- Railway Finance Authority
- Primary Road Fund (bordering bridges)

After the items are funded from the Statutory Allocations Fund, the balance is deposited in the Road Use Tax Fund.

The Primary Road Fund (for the CIN) and the Department of Inspections and Appeals, also previously funded from the motor vehicle use tax, are now funded from the Road Use Tax Fund.

### State, City, and County Share

Although SF 2420 affected the funding structure of the Road Use Tax Fund, the formula allocations to the State, cities, and counties from the Road Use Tax Fund, Transfer of Jurisdiction Fund, and TIME-21 Fund remain unchanged.

### Five-Year Forecast

The DOT is required to submit an annual report detailing how the Department proposes to improve the State’s transportation system over the next five years. The five-year program is based on projected State and federal revenues and the associated costs of each project. In determining projected revenues, the Department develops a five-year forecast for the Road Use Tax Fund based on the most recent fiscal year data. Due to the various funding changes enacted in SF 2420, it is necessary for the DOT to include the additional funds in the five-year forecast.

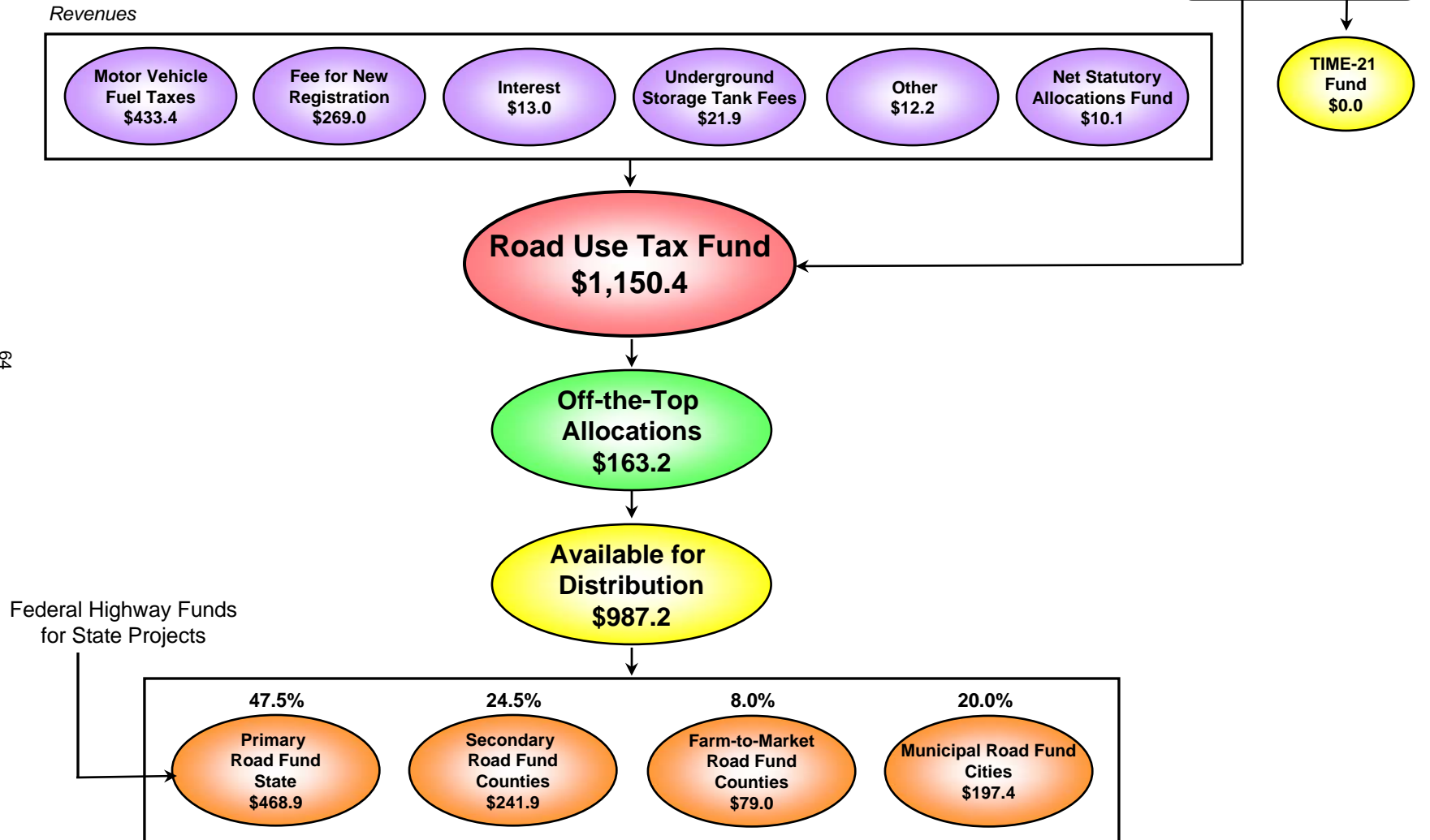
The Legislative Services Agency’s current estimate of revenues and expenditures for FY 2009 for the Road Use Tax Fund, Transfer of Jurisdiction Fund, Statutory Allocations Fund, and TIME-21 Fund is available on the General Assembly’s website (see the More Information box on the front page for a link to this information).

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# Road Use Tax Fund

## Est. FY 2009 Revenues & Allocations

(Dollars in Millions)

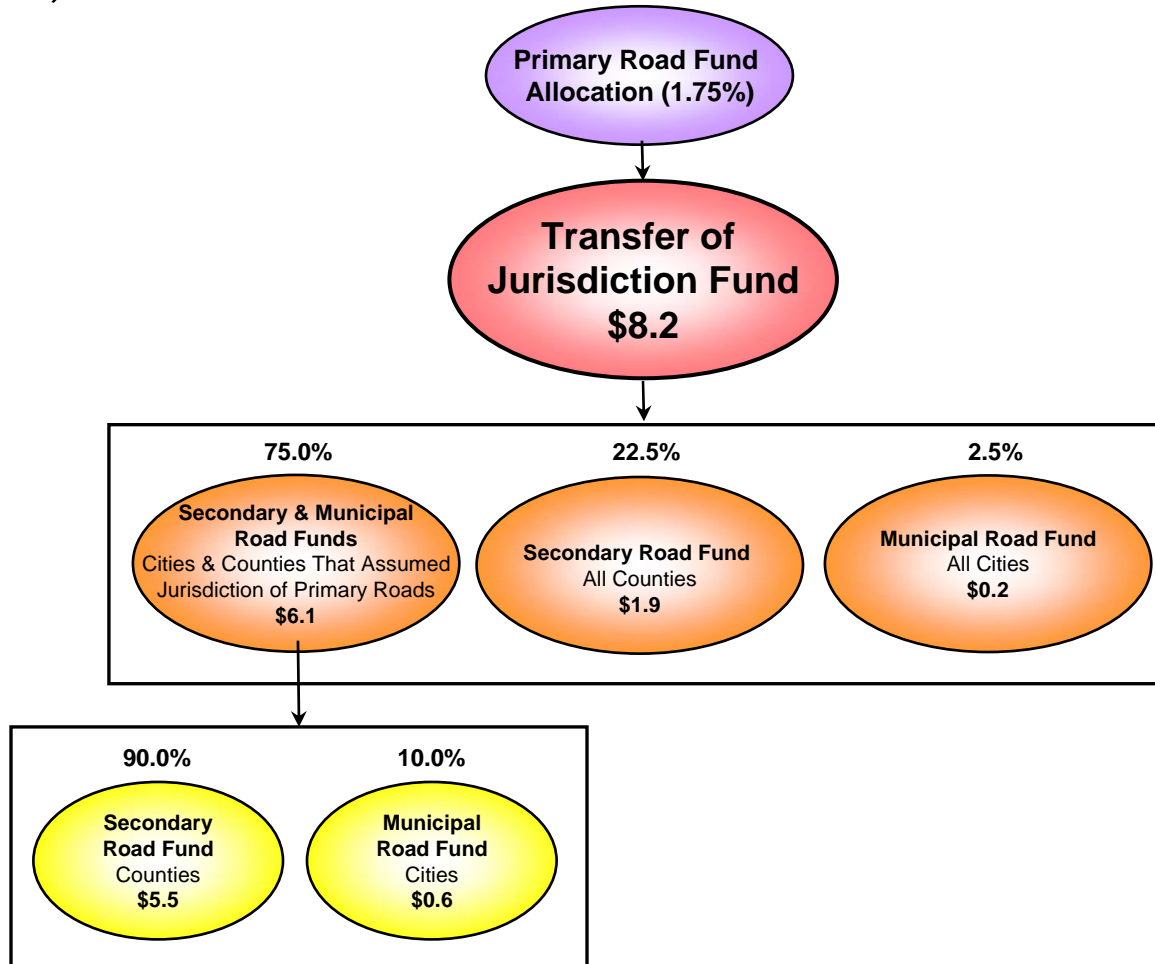


\* In FY 2010 and subsequent years, more than \$392.0 million is estimated to be collected from motor vehicle registration fees. A total of \$434.6 million is estimated to be collected in FY 2010, of which \$42.6 million would be deposited into the TIME-21 Fund.

# Transfer of Jurisdiction Fund

Est. FY 2009 Revenues & Allocations

(Dollars in Millions)



**Note:** In addition to the above transfers, in FY 2005, the jurisdiction and control of approximately 400 miles of Farm-to-Market road extensions in cities with a population of less than 500 were transferred to the respective counties (not shown in the above table). As a result, a portion of Municipal Road Fund from those cities is transferred monthly to the Secondary Road Fund of the respective counties. The total amount transferred is estimated at \$2.1 million annually.

# Statutory Allocations Fund

## Est. FY 2009 Revenues & Allocations

(Dollars in Millions)

### Revenues

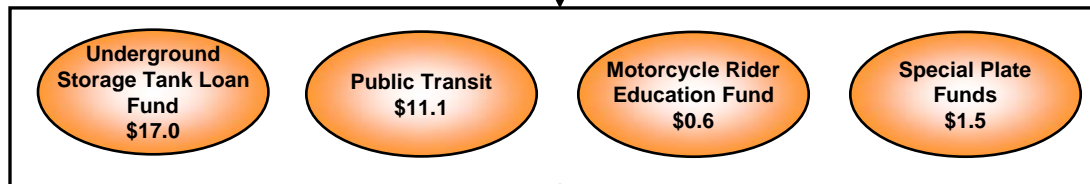


**Net Statutory  
Allocations Fund  
\$55.5**

**Fee Increases\*\*  
to TIME-21 Fund  
\$15.2**

**Available for  
Distribution  
\$40.2**

### Order of Allocations



**Net to Road Use  
Tax Fund  
\$10.0**

*As Necessary*

**Railway Finance  
Authority**

**Primary Road  
Fund  
(Bordering  
Bridges)**

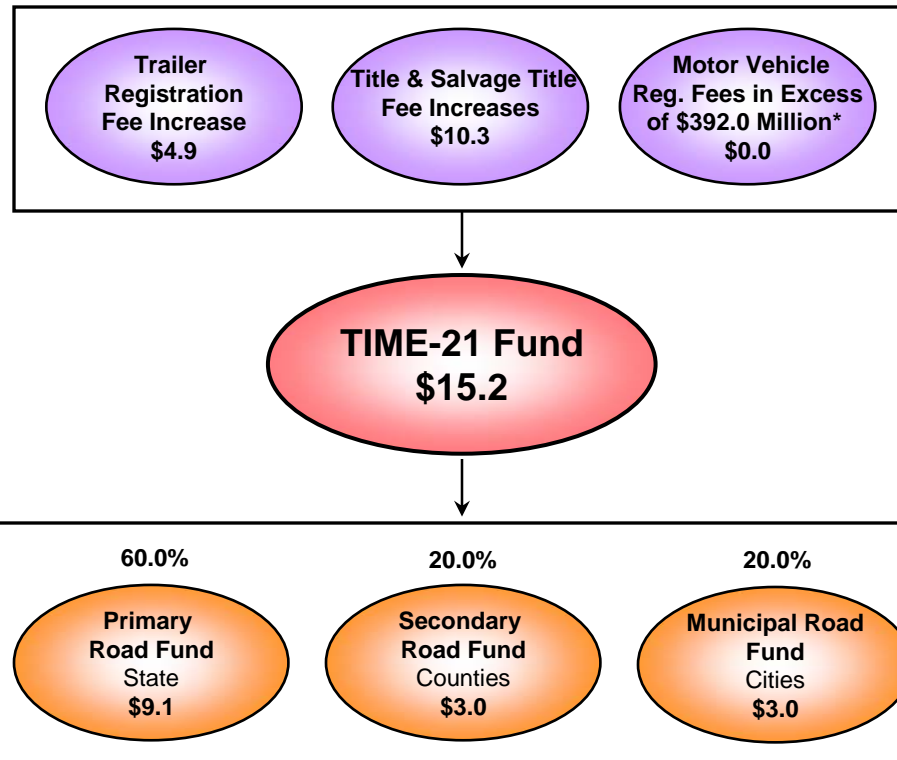
\* Includes: (1) The use tax on mobile homes and manufactured homes and on leased vehicles not subject to registration and (2) The fee for new registration for trailers.

\*\* Includes fee increases from trailer registrations and titles (including regular, salvage, and manufacturing titles).

# TIME-21 Fund

## Est. FY 2009 Revenues & Allocations

(Dollars in Millions)



\* In FY 2010 and subsequent years, more than \$392.0 million is estimated to be collected from motor vehicle registration fees. A total of \$434.6 million is estimated to be collected in FY 2010, of which \$42.6 million would be deposited into the TIME-21 Fund.

## Rebuild Iowa Infrastructure Fund

The State has several resources that provide funding for infrastructure-related projects. The Rebuild Iowa Infrastructure Fund (RIIF), established in §8.57(6), Code of Iowa, is the primary funding source for public infrastructure-related expenditures.

### Creating the RIIF

The General Assembly created the RIIF during the 1995 Legislative Session. At that time, the General Assembly passed two bills that appropriated moneys to the RIIF and dedicated interest earnings from other “rainy day” funds.

- Senate File 475 (FY 1996 State Financial Provisions Act) directed the interest earnings of the Iowa Economic Emergency Fund and the Cash Reserve Fund to be credited to the RIIF. The Act also specified that the interest and earnings on moneys in the RIIF be retained there.
- House File 584 (FY 1996 Rebuild Iowa Infrastructure Act) transferred \$50.0 million from the Generally Accepted Accounting Principles (GAAP) Deficit Reduction Account to the RIIF.

During the 1996 Legislative Session, the General Assembly passed HF 2421 (FY 1997 Transportation, Infrastructure, and Capitals Appropriations Act) that dedicated all State racing and gaming receipts in excess of \$60.0 million to the RIIF. This provision was made retroactive to July 1, 1995, and resulted in \$46.2 million of additional revenue to the Fund in FY 1996.

### Distribution of the State’s Wagering Tax Allocation

The General Assembly made

additional changes to the RIIF in FY 2001, with the enactment of SF 2447 (FY 2001 Vision Iowa Program Act) and SF 2453 (FY 2001 Infrastructure Appropriations Act). Senate File 2447 created the mechanism to fund large-scale community attraction projects and established the School Infrastructure Program. Senate File 2453 dedicated \$20.0 million in gambling proceeds to fund the Vision Iowa and School Infrastructure Programs. In FY 2001, the RIIF began receiving an allocation of state wagering taxes after the first \$80.0 million was diverted to the General Fund and the Vision Iowa Program. The distribution of the State’s wagering taxes is as follows:

- \$60.0 million to the General Fund
- \$15.0 million to the Vision Iowa Fund
- \$5.0 million to the School Infrastructure Fund
- Remainder to the Rebuild Iowa Infrastructure Fund

State gambling receipts provide the bulk of the revenue for the RIIF. For FY 2009, 74.6% of the RIIF revenue is from gambling receipts.

### Definition of Vertical Infrastructure

During the 1996 Legislative Session the General Assembly created the definition of “vertical infrastructure” in §8.57(6)(c), Code of Iowa, for the purpose of identifying projects eligible for funding from the RIIF. The following definition became effective beginning in FY 1998:

*“For the purposes of this subsection, “vertical infrastructure” includes only land acquisition and construction, major renovation and major repair of buildings, all appurtenant structures, utilities, site*

*development, and recreational trails. “Vertical infrastructure” does not include routine, recurring maintenance or operational expenses or leasing of a building appurtenant structure or utility without a lease-purchase agreement.”*

All expenditures from the RIIF must comply with the above definition. Projects that do not meet the definition of vertical infrastructure require language that notwithstanding the appropriation from the definition in §8.57(6)(c), Code of Iowa. During the last decade, the percentage of appropriations notwithstanding the definition has ranged from 17.5% to 98.9%, with an average of 54.8%.

### Changes Affecting RIIF Revenues

During the period from FY 2002 through FY 2004, the General Assembly transferred the interest earnings from the Cash Reserve and Economic Emergency Fund to the General Fund.

When the securitization of Iowa’s tobacco settlement payments and creation of the Restricted Capital Fund provided a new source of infrastructure funding, the General Assembly made changes to the RIIF revenues from FY 2002 through FY 2007. Senate File 533 (FY 2002 Tobacco Settlement Trust Fund Appropriations Act) directed moneys from the State’s wagering tax allocation to be deposited in the Endowment for Iowa’s Health Account for six fiscal years. During that period, the RIIF revenues were reduced as follows:

(over)

### More Information

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## Rebuild Iowa Infrastructure Fund

- \$80.0 million for FY 2002
- \$75.0 million for FY 2003
- \$70.0 million annually from FY 2004 – FY 2007

From FY 2005 to FY 2009, the RIIF received an additional \$8.0 million annually in revenues from license fee payments for the riverboat expansion approved during the 2004 Legislative Session.

Beginning in FY 2009 and FY 2011, the land-based and riverboat casinos, respectively, will be allowed to receive an annual tax credit for five years. This tax credit is estimated to decrease gambling revenues in the RIIF by \$4.6 million annually for the land-based casinos and \$6.0 million annually for the riverboat casinos.

In FY 2007 and FY 2008, interest from the rainy day funds provided approximately \$27.0 million to the RIIF. As long as the rainy day funds remained full, the expectation was for revenue from the interest to remain at that level. In February 2009, H.F. 64 (Disaster Assistance Appropriations

Act) was enacted, reducing the rainy day funds by \$56.0 million. This Act along with the impact of the recession on interest rates affected estimated interest for RIIF revenues. For FY 2010, interest is 7.4% of total RIIF revenue.

**Table 1** shows the projected RIIF revenues and available funds.

### Appropriations from the RIIF

Generally, appropriations from the RIIF have a four-year reversion date allowing funding to be available for four fiscal years. Extensions of the reversion dates may be requested and are often granted as capital projects are not always completed within the four-year period.

Standing appropriations from the RIIF are made to the Environment First Fund. Senate File 2432 (FY 2009 Infrastructure Appropriations Act) increased the standing appropriation to the Environment First Fund to \$42.0 million. The Act eliminated the Vertical Infrastructure Fund (VIF) while transferring the remaining balance in the VIF back to the RIIF. In addition, SF

2432 created a \$3.0 million standing appropriation from the RIIF to the Housing Trust Fund.

Other multi-year appropriations include \$10.0 million for the Secure Advanced Vision for Education (SAVE) Fund until FY 2014, \$5.0 million for the Community Attraction and Tourism (CAT) Program until FY 2013, and \$10.0 million for the River Enhancement Community Attraction and Tourism Program (RECAT) until FY 2013. Senate File 2432 changed the CAT appropriation for FY 2009 and FY 2010, to provide the entire \$12.0 million CAT appropriation from the RIIF. After FY 2010, the funding will resume with \$7.0 million from the General Fund and \$5.0 million from the RIIF.

For FY 2009 and FY 2010, the funding source for the Technology Reinvestment Fund and the Grow Iowa Values Fund was shifted from the General Fund to the RIIF. These appropriations are \$17.5 million and \$50.0 million, respectively, and are reflected as appropriations to the Department of Management and to the Department of Economic Development.

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## Rebuild Iowa Infrastructure Fund

as of February 1, 2009  
(Dollars in Millions)

	Actual FY 2006	Actual FY 2007	Actual FY 2008	Est. FY 2009	Est. FY 2010	Est. FY 2011	Est. FY 2012
<b>Revenues</b>							
Balance Forward	\$ 30.1	\$ 25.0	\$ 49.7	\$ 32.2	\$ 12.7	\$ 0.0	\$ 0.0
Wagering Taxes/Related Revenues	106.3	128.8	211.3	206.5	201.4	198.4	201.4
Interest	12.5	30.9	32.9	18.2	17.2	19.0	19.0
Other Revenue	2.3	2.8	0.0	8.4	0.0	0.0	0.0
<b>Total Revenues</b>	<b>151.2</b>	<b>187.5</b>	<b>293.9</b>	<b>265.3</b>	<b>231.3</b>	<b>217.4</b>	<b>220.4</b>
<b>Appropriations</b>							
Environment First Fund	35.0	35.0	40.0	42.0	42.0	42.0	42.0
Vertical Infrastructure Fund	15.0	15.0	50.0	0.0	0.0	0.0	0.0
Technology Reinvestment Fund		0.0	0.0	17.5	17.5	0.0	0.0
Other Appropriations	76.8	89.3	172.1	193.1	146.4	41.5	36.8
<b>Total Appropriations</b>	<b>126.8</b>	<b>139.3</b>	<b>262.1</b>	<b>252.6</b>	<b>205.9</b>	<b>83.5</b>	<b>78.8</b>
Reversions	-0.6	-1.5	-0.4	0.0	0.0	0.0	0.0
<b>Available for Appropriation</b>					<b>25.4</b>	<b>133.9</b>	<b>141.6</b>
Ending Balance	\$ 25.0	\$ 49.7	\$ 32.2	\$ 12.7	\$ 0.0	\$ 0.0	\$ 0.0



## Distribution of State Wagering Taxes Section 8.57 Allocations

Land-based and riverboat casinos  
pay State wagering taxes

FY 2010 - \$281.4 million



*Allocations in Section 8.57, Code of Iowa*

\$60.0 million  
General Fund

\$15.0 million  
Vision Iowa Fund

\$5.0 million  
School Infrastructure Fund



*remainder* deposits into  
Rebuild Iowa Infrastructure Fund

FY 2010 - \$201.4 million



## Revitalize Iowa's Sound Economy (RISE) Program

### Creation of the RISE Program

The RISE Program was implemented in FY 1986, and is used for the establishment, construction, improvement, and maintenance of roads and streets that promote economic development in the State.

Cities and counties submit applications for RISE funding to the Transportation Commission for approval. The funds can be used for two types of projects:

- **Immediate Opportunity Projects:**  
Projects requiring an immediate funding commitment to secure developers or firms in the location of business facilities that will result in permanent job creation or retention. Applications are submitted on a year-round basis. These projects typically have first priority for all available RISE funds.
- **Local Development Projects:**  
Projects that support local economic development efforts but do not require an immediate commitment of funds. The projects are selected through a competitive evaluation process conducted semiannually.

A portion of the RISE funds are allocated for State projects and deposited directly in the Primary Road Fund and are not part of the RISE Program.

### Background

When originally established, the RISE Program was funded through a Road Use Tax Fund allocation in an amount equal to 2.0 cents per gallon from the excise tax on motor fuels and special fuels. From FY 1986 – FY 1989, this amount was allocated to the State, cities, and counties as follows:

### FY 1986 – FY 1989

2.0 cents Per Gallon:

- 1.0 cent – State Primary Road Fund
- 0.5 cent – City RISE Share
- 0.5 cent – County RISE Share

A few years after the RISE Program was implemented, it was determined that the level of county funding was greater than the need. Legislation was enacted in 1989 to adjust the county portion of the RISE allocation so that a Road Use Tax Fund allocation in an amount equal to 0.45 cents per gallon was redirected to the Secondary Road Fund for distribution to all counties. The level of funding maintained for the county RISE share (0.05 cents) was deemed sufficient to meet the needs of county projects. The State and city RISE allocations remained unchanged. From FY 1990 – FY 2007, a Road Use Tax Fund allocation in an amount equal to 2.0 cents per gallon from the excise tax on motor fuels and special fuels was allocated to the State, cities, and counties as follows:

### FY 1990 – FY 2007

2.0 cents Per Gallon:

- 1.0 cent – State Primary Road Fund
- 0.5 cent – City RISE Share
- 0.05 cent – County RISE Share
- 0.45 cent – Counties' Secondary Road Fund

### Current

In recent years, the demand for county RISE funding has increased due to the increase in the number of biofuel facilities established in Iowa, resulting in the need for roadway improvements to access the facilities. The level of RISE funding was not enough to fulfill the demand. In August 2006, the Department of Transportation stopped

accepting county applications for one year for both Immediate Opportunity and Local Development projects.

In an attempt to provide additional funding for the county RISE share, the 2.0 cents per gallon funding formula was again modified in 2007. House File 932 (TIME-21 Fund Act) adjusted the Secondary Road Fund portion so that an amount equal to 0.20 cents per gallon was redirected to the county RISE share. As a result, the county RISE share and Secondary Road Fund were each to receive 0.25 cents per gallon or \$5.8 million in FY 2008. However, since the change in funding was not implemented until October 2007, \$4.6 million was allocated to the county RISE share in FY 2008, and \$7.0 million to the Secondary Road Fund. This is an increase of \$3.4 million to the county RISE share compared to FY 2007, and a decrease of the same amount to the Secondary Road Fund. The State and city RISE allocations remain unchanged.

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The RISE Program was created in Chapter 315, Code of Iowa, and administered in accordance with 761 IAC, Chapter 163.

### More Information

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## Revitalize Iowa's Sound Economy (RISE) Program

In FY 2008, the Road Use Tax Fund allocation, in an amount equal to 2.0 cents per gallon from the excise tax on motor fuels and special fuels, totaled \$46.3 million. This total was allocated to the State, cities, and counties as follows:

### FY 2008 – Current

2.0 cents Per Gallon (\$46.3 million):

- 1.0 cent (\$23.1 million) – State Primary Road Fund
- 0.5 cent (\$11.6 million) – City RISE Share
- 0.25 cent (\$4.6 million) – County RISE Share
- 0.25 cent (\$7.0 million) – Counties' Secondary Road Fund

Prior to enactment of HF 932, the RISE funds allocated for State projects were to be expended on the Commercial and Industrial Highway Network (CIN), (a series of highways identified by the Transportation Commission) and county RISE funds were to be expended on Secondary Road projects. House File 932 expanded the definitions to include Access Iowa Highways (a series of

highways within the CIN) and roadway projects that provide access to biofuel facilities. The Act requires the State and county RISE shares to be spent as follows:

- **State RISE Share:** 50.0% for highways that support the production or transport of renewable fuels, including primary highways that connect biofuel facilities to highways in the CIN and 50.0% for highways that have been designated by the Transportation Commission as Access Iowa Highways.
- **County RISE Share:** Secondary Road projects, including Secondary Roads that connect biofuel facilities to highways in the CIN.

### **Recent RISE Projects**

As a result of HF 932 and the estimated additional \$3.4 million directed to the county RISE share, the DOT accepted county RISE applications in August 2007. Since then, the Transportation Commission has approved 10 Immediate Opportunity projects and eight of these were for road projects accessing biofuel facilities.

From August 2007 to August 2008, with the exception of two Local Development grants awarded to Tama County and Iowa County, only Immediate Opportunity projects were considered for county RISE funding. The Tama County grant for construction of an interchange on U.S. Highway 30 at the entrance to the Meskwaki Casino was approved in 2005; however, RISE funding was pending the authorization of federal funds that were recently approved. The Iowa County grant for grading and paving a road accessing the proposed ALB-GOLD food and beverage facility was submitted on behalf of the Amana Colonies. Since the Amana Colonies are considered an incorporated city for Road Use Tax Fund purposes, the Local Development application was accepted for city RISE funding.

In September 2008, the DOT resumed acceptance of county RISE applications for Local Development projects.

The following chart shows the RISE grants awarded to counties between August 2007 and August 2008.

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County RISE Grants August 2007 – August 2008						
Grant/County	Road Project Providing Access To:		RISE Grant	RISE Cost Per Job	Number of Jobs Created	Assoc. Capital Investment (in millions)
	Biofuel Facility	Non-Biofuel Facility				
Immediate Opportunity						
Buena Vista	✓		\$ 300,000	\$ 6,000	50	\$ 219.8
Cherokee	✓		144,000	6,000	24	45.2
Chickasaw	✓		240,000	6,000	40	224.0
Clark	✓		264,000	6,000	44	52.3
Hancock	✓		270,000	6,000	45	186.7
Ida	✓		78,000	6,000	13	14.9
Palo Alto		✓	268,000	4,542	59	4.2
Poweshiek	✓		288,000	6,000	48	172.0
Wapello	✓		330,000	6,000	55	250.0
Winnebago		✓	150,000	5,000	30	15.5
Local Development*						
Iowa		✓	630,000	NA	NA	NA
Tama		✓	750,000	NA	NA	NA
<b>Totals</b>			<b>\$ 3,712,000</b>	<b>\$ 57,542</b>	<b>408</b>	<b>\$ 1,184.6</b>

\* From August 2007 - August 2008, only Immediate Opportunity projects were considered for county RISE funding. Special circumstances allowed Iowa County and Tama County to receive Local Development grants.

Source: Department of Transportation

## State Recreational Trails

The Recreational Trails Program was established by the General Assembly during the 1987 Legislative Session with the passage of HF 575 (Recreational Trails Act). The intent of the General Assembly was for the State to acquire and develop 2,000 miles of new recreational trails and complete the existing trail projects before the year 2000. As of FY 2008, the Department of Transportation (DOT) estimates the trail system to be approximately 1,455 miles. This includes developed multi-use recreational trails and off-road paths throughout the State.

The DOT administers three programs that provide funding for trails development and the Department of Natural Resources (DNR) administers two. The programs managed by the DOT include the State Recreational Trails Program, the federal Transportation Enhancement Program, and the federal Recreational Trails Program. The DNR administers the Resource Enhancement and Protection Fund and the Recreation Grant Program. In addition, some funding for trails is available through the Community Attraction and Tourism Program, administered by the Department of Economic Development.

This *Fiscal Topic* focuses solely on the State Recreational Trails Program.

### Funding of State Recreational Trails Fund

From FY 1989 to FY 1996, the State Recreational Trails Fund received a \$1.0 million standing appropriation annually from the Road Use Tax Fund. In FY 1997, the General Assembly eliminated the Road Use Tax Fund standing appropriation and began funding the Trails Program from the Rebuild Iowa Infrastructure Fund (RIIF) through the annual appropriations

process. For FY 1998 and FY 1999, the appropriation was increased to \$2.0 million each year. In FY 2000 and FY 2001, the amount appropriated was \$2.25 million per year, with an earmark of \$250,000 for off-road motorized vehicle trails. Since FY 2002, funding has been from either the RIIF or restricted capital funds from the Tobacco Settlement Trust Fund.

In FY 2002, during a period of record declines in General Fund revenues, the State transferred \$5.5 million from the balance in the State Recreational Trails Fund to the General Fund, creating a shortfall in the State Recreational Trails Program. The subsequent appropriations from FY 2002 through FY 2008 have alleviated this shortfall; however in FY 2005 the State did not appropriate funds for the Program. For FY 2009, the appropriation from the RIIF is \$3.0 million. **Table 1** shows the funding amount and source of funds of the appropriation to the DOT for the State Recreational Trails Program from FY 2002 through FY 2009.

### State Recreational Trails Program

Grants funded through the Recreational Trails Fund require a minimum local match of 25.0%. Trails that receive funding must be maintained for public use for a minimum of twenty years. Local governments and nonprofit organizations generally serve as individual project sponsors and provide matching funds required. The amount of local funds spent on trails is larger than the State and federal match because the entities spend funds outside of the grant programs.

Applications for funding from the Recreational Trails Program are considered twice per year and are approved by the Transportation

Commission. Project evaluation criteria are:

- Needs of population to be served and existing trails available.
- Compatibility with local, area-wide, regional, or Statewide plans.
- Benefits of multiple uses and recreational opportunities.
- Quality of the site.
- Economic benefits to the local area.
- Special facilities for handicapped users.

### Trail Projects

Funding needs are always greater than available revenues. For the FY 2009 funding, the DOT received a total of 43 applications, requesting a total amount of \$16.1 million. Over the last several years, the General Assembly has directed a portion of the funding for specific projects. The percentage of the appropriation directed to specific projects has been increasing. In FY 2007, the earmark was

(over)

### More Information

Department of Transportation Trails  
<http://www.iowadot.gov/trails.html>

Department of Transportation's Office of  
System Planning Recreational Trails  
Program  
[http://www.sysplan.dot.state.ia.us/fedstate\\_rectrails.htm](http://www.sysplan.dot.state.ia.us/fedstate_rectrails.htm)

Iowa Natural Heritage Foundation Iowa by  
Trail  
<http://www.inhf.org/iowatrails/index.htm>

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for one project of \$200,000, or 10.0% of the appropriation. In FY 2008, the earmark was \$415,000 for three projects, or 20.8% of the appropriation. In FY 2009, \$1.18 million of the \$3.0 million appropriated, or 39.3%, was earmarked for six projects. When projects receive earmarks, they bypass the normal application and approval process by the Transportation Commission. **Table 2**

shows the State grants for FY 2006 to FY 2009, including the earmarks.

#### Flooding Damage

The 2008 flooding caused extensive damage to the State's recreational trails. Preliminary estimates by DOT, DNR, and the Department of Economic Development for damages to the State's trail system are \$10.0 to \$15.0 million.

Two previously approved projects, the Mississippi River Trail Upper Scott County (Le Claire) for \$799,740 and the Big Sioux River Trail Bridge (Sioux City) for \$187,500 were not completed and the funding has reverted. The DOT will use the reverted funds to help cover the State match when local governments apply for FEMA funding for these damaged trails.

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**Table 1**  
**State Appropriations to the Department of Transportation for Recreational Trails Funding**  
**FY 2002 to FY 2009**

	Actual FY 2002	Actual FY 2003	Actual FY 2004	Actual FY 2005	Actual FY 2006	Actual FY 2007	Actual FY 2008
<b>Recreational Trails Funding - State Source</b>							
RIF - Rebuild Iowa Infrastructure Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,000,000	\$ 0	\$ 2,000,000
RC2 - Endowment for Iowa's Health Restricted Capitals Fund	0	0	0	0	0	2,000,000	0
RCF - Restricted Capital Fund	1,000,000 <sup>1</sup>	2,000,000	1,000,000	0	0	0	0
<b>Total</b>	<b>\$ 1,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 0</b>	<b>\$ 1,000,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>

<sup>1</sup> In FY 2002, the State appropriated \$1.0 million from the RCF for the Trails Program; however the \$5.5 million balance of the State Recreational Trails Fund was transferred to the State General Fund.

**Table 2**  
**State Recreational Trails Program Grants FY 2006 to FY 2009**

<b>State Recreational Trails Program - FY 2006</b>		<b>State Recreational Trails Program - FY 2007</b>	
	<b>State Grant</b>		<b>State Grant</b>
Trestle to Trestle Trail - (Polk County)	\$ 346,739	4-Mile Creek Greenway Trail (Polk County, City of Ankeny)	\$ 690,000
Clear Creek Trail - Phase 4 (Coralville)	327,912	Alice's Road Greenbelt Trail (Clive)	402,405
Gypsum City OHV Park (Webster County)	250,000	Des Moines County Recreational Trail - Phase 1 (Des Moines County)	360,000
Crow Creek Trail, Phase 1 (Bettendorf)	218,870	18th Street to Riverview Trail (Waterloo)	252,187
Big Sioux River Trail Bridge (Sioux City)*	187,500	Trail Projects in Wapello County** (Wapello County)	200,000
Raccoon River Valley Rehabilitation (Guthrie County)	175,000	Cemar Trail - Phase 2 (Cedar Rapids)	150,000
Little Sioux Valley Trail (Woodbury County)	150,000	Coon Rapids Town Loop Trail (Coon Rapids)	106,875
Decorah Loop Trail, Segment #6 (Decorah)	150,000	Lakeview OHV Park Upgrades (Johnson County)	39,315
Winnebago River Trail Bridge (Mason City)	110,448		
Ventura Cove Link (Cerro Gordo County)	50,000	<b>Total FY 2007</b>	<b>\$ 2,200,782</b>
<b>Total FY 2006</b>	<b>\$ 1,966,469</b>		
<b>State Recreational Trails Program - FY 2008</b>		<b>State Recreational Trails Program - FY 2009</b>	
	<b>State Grant</b>		<b>State Grant</b>
Mississippi River Trail Upper Scott County (Le Claire)*	\$ 799,740	Linn Creek Trail Connection with Iowa Hwy 330 Trail (Marshall County)	\$ 800,000
Ankeny to Woodward Trail Corridor (Boone County)	565,960	Principal Riverwalk (City of Des Moines)**	750,000
Jewell to Ellsworth Trail (Hamilton County)**	185,000	Garlock Slough Recreational Trail (West Okoboji and Dickinson County)	490,162
Heart of Iowa Nature Trail Phases VII and VIII (Story County)	100,000	Mississippi River Trail - Liberty Avenue Connection (City of Clinton)	351,750
Maquoketa River Water Trail (Jones County)	69,300	Trout Run Trail (City of Decorah and Winneshiek County)	138,088
Lewis and Clark Trail Planning Study (Western Iowa)	50,000	American Gothic Regional Trail (connecting Ottumwa and Fairfield)**	100,000
Crawford County Trail (Crawford County)**	30,000	Maquoketa River Water Trail (Jones County)**	100,000
Fairfield Loop Trail (Fairfield)**	200,000	Stone State Park Trail (Woodbury County)**	100,000
<b>Total FY 2008</b>	<b>\$ 2,000,000</b>	Summerset Trail - (connecting Indianola, Carlisle, Des Moines)**	100,000
		Riverview Recreation Area expansion (Black Hawk County)	40,000
		Crawford County Trail (Crawford County)**	30,000
		<b>Total FY 2009</b>	<b>\$ 3,000,000</b>

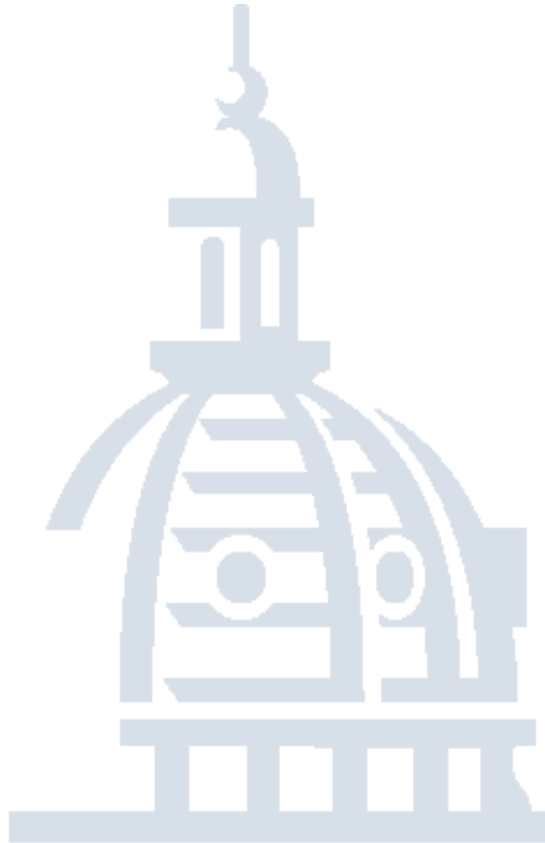
\*Project not completed and funding reverted

\*\*Earmarked projects.

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# DEBT REPORT

## STATE OF IOWA OUTSTANDING OBLIGATIONS SELECTED STATE DEBT



FISCAL SERVICES DIVISION

JANUARY 2009



LEGISLATIVE  
SERVICES AGENCY

*Serving the Iowa Legislature*

## EXECUTIVE SUMMARY

The ability for states to issue debt is an important tool for financial management and may provide funds for capital improvements, without requiring tax increases, if annual tax revenues are not sufficient to support capital expenditures. Iowa has issued debt to pay for a variety of programs and projects that the State otherwise would not have been able to fund within a given fiscal year.

This report provides information on the State's net tax-supported debt as of June 30, 2008. The debt discussed in this report is directly related to the amount of resources that the General Assembly has available to appropriate each year. The outstanding obligations discussed in this report include State-supported debt authorized by the General Assembly and the Governor with specific revenue sources designated to pay the debt service. These obligations include revenue bonds, certificates of participation (COP), and capital leases and loans entered into by State agencies. In most cases, the debt service on the revenue bonds is paid from dedicated revenue sources that would otherwise be available for appropriation by the General Assembly. The debt service on capital leases and COPs is typically paid from funds appropriated for the operation of various State agencies.

Not all of the debt discussed here is considered a legal liability for the State, however for purposes of this report, if the debt burden affects the State funds available for appropriation, then the debt type is included. For example, the report includes debt issued by the Lottery Authority because, although the Authority pays its debt service from lottery revenues, this reduces lottery revenue that will be deposited in the General Fund. Likewise, this report includes the Board of Regents Academic Building Revenue bonds. The debt service for these bonds is guaranteed by student tuition fees, but the General Assembly annually appropriates funds to the Board of Regents to pay the debt service and reduce tuition increases.

The State of Iowa has created numerous authorities that are authorized to issue self-supporting debt for the purposes of implementing specific programs to benefit the public. This report does not include all of the outstanding obligations from these authorities, specifically, if the revenue source to pay the debt is an independent source, not a liability to the State, and the authority does not receive assistance for the debt service from the State.

## DEBT POLICY IN GENERAL

A governmental entity has several choices of debt securities, including, but not limited to, General Obligation (GO) bonds, revenue bonds, and COPs. General Obligation bonds require an obligation by the governmental unit to pay the debt service from taxes and other resources, therefore they are backed by the State's full faith and credit. Article VII of the Iowa Constitution prohibits the State from exceeding a maximum of \$250,000 in general obligation debt without voter approval. The State does not have any outstanding GO bonds. Debt issued by the State is typically in the form of revenue bonds. Debt service on revenue bonds is paid from dedicated revenue sources and does not constitute a liability against the State.

Revenue bonds may be issued with a moral obligation that includes a pledge from the Governor to request money in his annual budget to repay the debt service, if the State is unable to make its payments from the specified revenue sources. While this obligation is not legally binding, it effectively acts as binding because if the State is unable to pay its debt service it may have a negative effect on the State's bond ratings and credit quality. As of June 30, 2008, the State has moral obligations for Vision Iowa Bonds, School Infrastructure Bonds, and Honey Creek Resort Bonds.

In addition, bond indentures may have specific terms and requirements structured in the agreements that can affect the flexibility the issuer has within the specific capital project. For example, the specifications of the State's commitment to building the Honey Creek Resort are reflected in the indenture. If the issuer is unable to



complete the requirements in accordance with the specific terms of the bond agreement, the issuer may be considered non-compliant and in default, having a similarly negative effect on the issuer's bond ratings and credit quality.

## CHANGES FROM THE 2008 LEGISLATIVE SESSION

### Status of Tobacco Securitization and Options for FY 2010

During the 2008 Legislative Session, the General Assembly approved SF 2432 (FY 2009 Infrastructure Appropriations Act) authorizing the Tobacco Settlement Authority to issue tax-exempt bonds against the remaining 22.0% of the tobacco payments from the Master Settlement Agreement that had not been securitized and were being deposited in the Endowment for Iowa's Health Account. The legislation created the FY 2009 Tax-Exempt Restricted Capital Fund (RC3) to receive an estimated \$183.0 million in net proceeds from the securitization. The legislation also appropriated a total of \$182.8 million from the Fund for individual projects. The following table shows the appropriations by department.

<b>Tobacco Settlement Trust Fund</b>	
<b>FY 2009 Tax-Exempt Restricted Capital Fund (RC3)</b>	
(Dollars in Millions)	
	<u>Estimated FY 2009</u>
<b>Resources</b>	
Beginning Balance	\$ 0.0
Bond Proceeds	183.0
Total Available Resources	<u>\$ 183.0</u>
<b>Appropriations</b>	
Department of Administrative Services	\$ 58.4
Department of the Blind	0.9
Department of Corrections	75.4
Department of Education	2.0
Department of Natural Resources	14.8
Board of Regents	2.0
State Fair Authority	5.0
Department of Transportation	3.7
Department of Veterans Affairs	20.7
<b>Total Appropriations</b>	<u>\$ 182.8</u>
<b>Ending Balance</b>	<u><u>\$ 0.2</u></u>
Numbers may not add to total due to rounding.	

As of January 1, 2009, the bonds have not been issued due to the financial market crisis and tight credit market. In addition, there are increased concerns about the stability of the revenue stream from tobacco payments due to the increases in the cigarette tax in several states, a potential increase to the Federal Excise Tax on cigarettes, and declining tobacco consumption in the United States. Furthermore, the enacting legislation required the bond issuance to generate net proceeds totaling \$183.0 million. If this dollar threshold cannot be achieved, the securitization will not occur. As of November 2008, the projections for net proceeds ranged from \$146.0 to \$168.0

million, at interest rates above 9.0%. The financial advisor for the planned securitization considers the \$146.0 million to be the more realistic projection given the current market conditions.

At the December 2008 meeting of the Tobacco Settlement Authority, a couple options for continuing with the bond issuance were suggested by the Treasurer's Office and the financial advisor. The first would be to amend the 2008 authorization for securitization and reduce the \$183.0 million net proceed requirement to an amount that is better aligned with market feasibility. If the amount is lowered, several projects will need to be eliminated or shifted to other funding sources where possible to adjust for the reduced bond proceeds.

The second option involves amending the 2008 authorization by changing the structure of the bond financing to provide for a type called an "appropriation bond." This bond does not require the State to pledge taxes and resources as for a GO bond, nor does it require a designated revenue stream as the typical revenue bond. This type of bond has not been used in Iowa before. Although the appropriation bond does not have the requirements as GO bonds or revenue bonds, the State will effectively be pledged to provide revenue for the life of the debt to maintain bond ratings and credit quality. According to the Treasurer's Office, an appropriation bond allows the State to shift the revenue stream as necessary. For example, the State could initially use the unsecuritized tobacco payments as the revenue stream, but could shift to an alternate resource if that revenue is not viable at a later date. As of January 2009, the Treasurer's Office suggests that this option has a better market and would provide the lowest interest rates. Furthermore, if the unsecuritized tobacco payments are used for the debt service, any amount not required to make that payment could be used for other budgetary purposes.

Alternatively, the authorization could be restructured for the revenue bonds to include moral obligation language and be guaranteed by either the tobacco payments or a different revenue source altogether, such as the State's wagering taxes (similar to Vision Iowa and School Infrastructure Bonds). Using moral obligation language for revenue bonds adds a risk to the State, as discussed previously. The Treasurer's Office advises that even with moral obligation language, bonds guaranteed by tobacco payments do not have a strong market.

The Treasurer's Office advises that it can move quickly to issue the bonds and provide net proceeds by early spring 2009, if the General Assembly approves legislation providing a change to the 2008 authorization that is effective upon enactment.

#### Status of FY 2009 Prison Bonding Fund

During the 2008 Legislative Session, SF 2432 (FY 2009 Infrastructure Appropriations Act) authorized the Treasurer's Office to issue tax-exempt bonds for prison construction projects, specifically the new Iowa State Penitentiary (ISP) at Fort Madison. The Act created a new FY 2009 Prison Bonding Fund (PBF) to receive the expected net proceeds of \$131.0 million from the bond issuance. In January 2009, the Treasurer's Office advised that the planned issuance has changed slightly. Originally the issuance was scheduled for series in 2010 and 2012, but updated plans are to issue the new prison bonds in two series in 2009 and 2011. Total debt for the new prison bonds is expected to be \$234.0 million. The bond issuance has been structured so that annual debt service will remain at a fixed rate of approximately \$16.3 million per year from FY 2011 through FY 2027. The first payment in FY 2010 will be \$400,000. Payments for the new debt service will be made from the Prison Infrastructure Fund.

Debt service for existing prison construction bonds is paid from the Prison Infrastructure Fund as well. Section 602.8108A, Code of Iowa, requires deposit of the first \$9.5 million in court fines and other Judicial Branch revenue to the Fund. The current annual debt service totals \$8.4 million. The portion of the \$9.5 million not used for debt service is transferred to the General Fund each year. Beginning in FY 2011, an estimated additional \$8.5 million will need to be transferred from Judicial Branch revenue to the Prison Infrastructure Fund to ensure debt service payments and coverage for the rating agency. Any remaining funds will transfer to the General Fund as before. In December 2008, the Revenue Estimating Conference estimated FY 2009 and FY 2010 Judicial Branch revenue will be \$95.0 and \$99.0 million, respectively.



As of January 2009, the planned bond issuance for the PBF remains scheduled and on target. The Department of Corrections received an FY 2009 appropriation of \$130.7 million from the PBF for the Fort Madison ISP project. The appropriation does not revert until the end of FY 2013.

Defeasance of Underground Storage Tank Bonds

The Underground Storage Tank bonds were issued through the Iowa Finance Authority to provide funds for the cleanup of underground fuel storage tanks. The General Assembly created a standing appropriation of \$17.0 million from the Motor Vehicle Use Tax in FY 1991 for the Underground Storage Tank Program, a portion of which was used to pay the debt service on the bonds. In accordance with HF 2651 (Highway Motor Vehicle Policy Act), these bonds were defeased in June 2008 and are no longer considered part of the State debt.

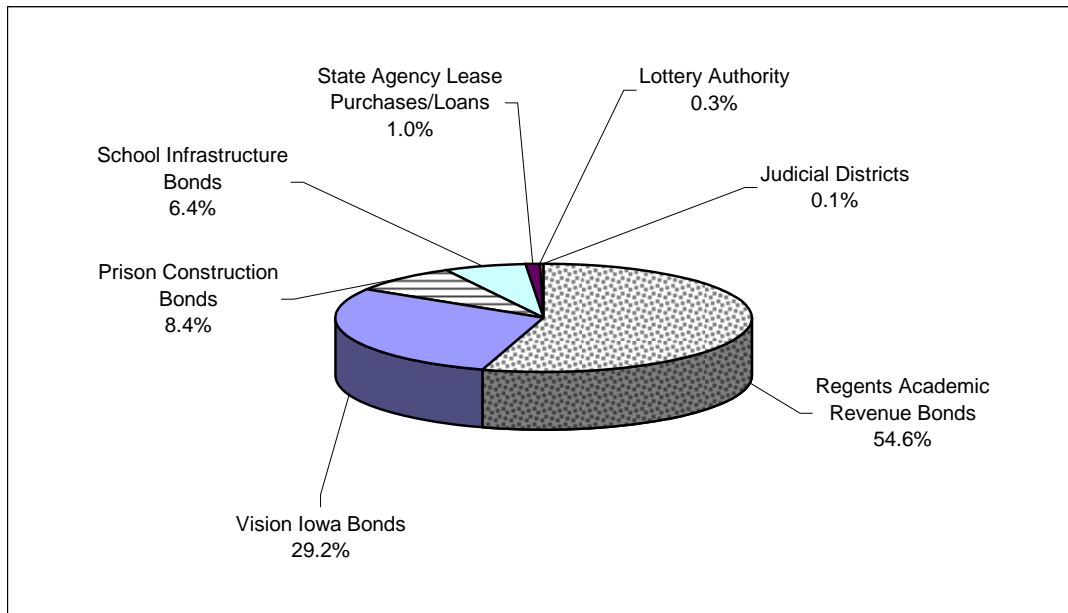
**OUTSTANDING OBLIGATIONS OF SELECTED STATE DEBT**

As of June 30, 2008, the total outstanding principal was \$497.0 million. Based on the current debt service schedules, the amount of interest to be paid on this debt will be \$211.5 million. Therefore, the total amount of outstanding principal and interest is \$708.5 million. **Table 1** shows outstanding principal and interest as of June 30, 2008.

<b>Table 1</b> <b>Outstanding Obligations by Type of Debt</b> As of June 30, 2008 (Dollars in Millions)			
	Principal	Interest	Total
Regents Academic Revenue Bonds	\$ 261.2	\$ 125.8	\$ 387.0
Vision Iowa Bonds	146.5	60.6	207.1
Prison Construction Bonds	48.6	11.1	59.7
School Infrastructure Bonds	32.7	12.4	45.1
State Agency Lease Purchases/Loans	5.9	1.2	7.1
Lottery Authority	1.5	0.3	1.8
Judicial Districts	0.6	0.1	0.7
<b>Total</b>	<b>\$ 497.0</b>	<b>\$ 211.5</b>	<b>\$ 708.5</b>

The following chart shows the distribution of debt burden for the total outstanding principal and interest.

**OUTSTANDING OBLIGATIONS**  
**State-Supported Debt**  
**Percentage of Total Outstanding Principal and Interest**  
**as of June 30, 2008**



In FY 2008, the State paid \$66.4 million in debt service for the revenue bonds and lease purchases. The amount of debt service listed is not the amount the General Assembly will be required to appropriate because in some instances a portion of the debt service is paid from the interest earnings of the debt service reserve funds. For example, in FY 2008, the debt service on the Regents Academic Revenue Bonds was \$25.8 million, of which, \$24.3 million was appropriated by the General Assembly. The remainder was funded from reserve fund interest. **Table 2** shows the annual debt service payments by debt type estimated for the next three fiscal years.

**Table 2**  
**State of Iowa Debt**  
**Annual Debt Service Payments**  
(Dollars in Millions)

	FY 2009	FY 2010	FY 2011
Regents Academic Revenue Bonds	\$ 29.0	\$ 29.0	\$ 27.9
Vision Iowa Bonds	15.9	15.9	15.9
Prison Construction Bonds (Existing)	8.4	8.4	8.4
Prison Construction Bonds (additional beginning FY 2010)	0.0	0.4	7.9
School Infrastructure Bonds	3.5	3.5	3.5
State Agency Lease Purchases/Loans	1.3	1.3	0.7
Lottery	0.2	0.2	0.2
Judicial Districts	0.2	0.2	0.2
Total	\$ 58.5	\$ 58.9	\$ 64.7

## DEBT TYPES AND BUDGET IMPACT

**Board of Regents Academic Building Revenue Bonds** – The General Assembly periodically authorizes the Board of Regents to issue Academic Revenue Bonds for construction, reconstruction, and renovation of facilities at the three State universities. As stated earlier, the General Assembly annually appropriates funds (Tuition Replacement) to pay the debt service on the bonds. The total outstanding principal of the Academic Revenue Bonds as of June 30, 2008, is \$261.2 million. The last bond payment is scheduled to be made by the end of FY 2035. During the 2007 Legislative Session, the General Assembly approved HF 920 (Regents Bonding Act) authorizing the Board of Regents to issue up to \$131.4 million in new Academic Revenue Bonds. The information in this report incorporates the most recent bond sales for Iowa State University (February 2008), the University of Northern Iowa (March 2008), and the University of Iowa (May 2008). The Board approved additional sales for October 2008 and established a proposed bond issuance schedule for 2009.

Generally, the Legislature appropriates funds for Tuition Replacement from both the General Fund and the Rebuild Iowa Infrastructure Fund (RIIF). In recent fiscal years, the split has been \$13.9 million from the General Fund and \$10.3 million from the RIIF. During the 2008 Legislative Session, SF 2432 (FY 2009 Infrastructure Appropriations Act) appropriated the entire \$24.3 million from the RIIF for FY 2009 and FY 2010.

**Vision Iowa Bonds** – This Program was created to provide State financial assistance in the form of grants, loans, forgivable loans, and loan guarantees to communities for the development and construction of major tourism projects. In FY 2002, the Vision Iowa Board issued \$196.4 million in bonds to fund the Program. The debt service on the bonds is paid from the State wagering taxes deposited in the Vision Iowa Fund, as well as Program loan repayments, and interest earnings of the Fund. Section 8.57(6)(e), Code of Iowa, allocates \$15.0 million annually from the State wagering tax to the Vision Iowa Fund for a 20-year period from FY 2001 to FY 2020. This allocation is paid prior to deposit of the remainder of the wagering taxes in the RIIF. For FY 2009, the debt service on the Vision Iowa Bonds is approximately \$15.9 million. The total outstanding principal of the Vision Iowa Bonds as of June 30 2008, is \$146.5 million. The last bond payment is scheduled to be made by the end of FY 2021.

**Prison Construction Bonds** – Section 16.177, Code of Iowa, authorizes the Iowa Finance Authority to issue bonds for financing the construction of prisons. Bonds totaling \$96.1 million were issued over a three-year period (FY

1994 - FY 1996) for the construction of prisons in Clarinda, Newton, and Fort Dodge. The debt service for these bonds is paid from the Prison Infrastructure Fund. As discussed previously, the first \$9.5 million in court fines and judicial revenue are deposited in the Prison Infrastructure Fund. The current annual debt service payments total \$8.4 million. The portion of the \$9.5 million not used for debt service is transferred to the General Fund each year. As of June 30, 2008, the total outstanding principal of the Prison Bonds is \$48.6 million. The last bond payment on these existing prison construction bonds is scheduled for FY 2016.

**School Infrastructure Bonds** – In FY 2002, the State issued \$48.6 million in bonds to fund the School Infrastructure Program. This Program was created to provide State financial assistance to local school districts for the construction and renovation of school buildings. Section 8.57(6)(e), Code of Iowa, allocates \$5.0 million annually from the State wagering tax to the School Infrastructure Fund to pay the debt service on the bonds. This distribution of the wagering tax is after the \$15.0 million for the Vision Iowa Fund, but before the remainder of the wagering taxes are deposited in the RIIF. The total outstanding principal of the School Infrastructure Bonds as of June 30 2008, is \$32.7 million. The last bond payment is scheduled to be made by the end of FY 2021.

**Capital Leases and Loans** – State agencies have the authority to enter lease purchase agreements for the purchase of public property. Lease purchases generally constitute shorter-term debt (three to 10 years) than bonds. The agreements are primarily used by State agencies for the purchase of equipment or facility improvements. The debt service payments are paid from agency operating appropriations. Section 12.28, Code of Iowa, gives the State Treasurer the authority to enter lease purchase agreements on behalf of State agencies. Section 8.46, Code of Iowa, requires the agencies to notify the Legislative Services Agency at least thirty days prior to entering into any lease purchase contract that is greater than or equal to \$50,000.

**Judicial District Certificates of Participation (COP)** – The General Assembly and the Governor authorized the Department of Corrections to issue certificates of participation in the late 1980s and early 1990s for construction of Community-Based Correctional (CBC) facilities throughout the State. Certificates of participation differ from bonds in that the title of ownership of the capital purchase is transferred upon final payment of the debt (similar to a lease purchase arrangement). To the investor, however, certificates of participation possess all of the attributes of tax-exempt bonds. The General Assembly annually appropriates funds from the General Fund to the CBC District Departments for repayment of the debt.

**Lottery Authority** – During the 2003 Legislative Session, the General Assembly approved SF 453 (Reinvention of Government Act) establishing the Iowa Lottery Authority as an independent authority within the Executive Branch. The Iowa Lottery Authority is a public enterprise based on a corporate model. Chapter 99G, Code of Iowa, requires the Lottery Authority to be self-sustaining and self-funded. The Lottery Authority issued \$8.8 million in revenue bonds for the purchase and installation of lottery ticket vending machines and for the purchase and renovation of the Lottery headquarters building. The bonds are repaid by lottery revenue. This reduces the amount of lottery profits available for deposit to the General Fund.

## **OTHER BOND ISSUANCES**

The State created numerous authorities that are authorized to issue self-supporting debt for the purpose of implementing specific programs to benefit the public. The revenues used to pay this debt are from independent revenue sources and do not constitute a liability to the State. Two examples are the Tobacco Bonds and the Honey Creek Premier Destination State Park.

**Tobacco Bonds** – The Tobacco Settlement Authority (TSA) issued bonds that were securitized with annual payments from the tobacco industry that resulted from the 1998 tobacco Master Settlement Agreement. In 2001, the

TSA issued \$644.2 million in both taxable (\$40.0 million) and tax-exempt (\$604.2 million) bonds. The net proceeds from the taxable bonds (\$39.6 million) were deposited in the Endowment for Iowa's Health Account and used primarily for health-related purposes. The net proceeds from the tax-exempt bonds were deposited in the Restricted Capital Fund and used to fund State infrastructure projects. In 2005, the TSA refinanced the tobacco bonds and issued additional bonds that generated an additional \$50.2 million in net taxable proceeds and \$100.5 million in net tax-exempt proceeds. As of June 30, 2008, the total outstanding principal of the tobacco bonds was \$1.325 billion.

**Honey Creek Premier Destination State Park** – House File 875 (FY 2007 Infrastructure Appropriations Act) created the Honey Creek Premier Destination Park Authority and the Honey Creek Premier Destination Park Bond Fund. The Authority was authorized to issue bonds to provide net proceeds up to \$28.0 million for the development and expansion of the Honey Creek Destination Park located near Lake Rathbun. In October 2006, \$33.4 million in bonds were issued, yielding the maximum net proceeds. The interest that will be paid on this debt is \$29.3 million. The first bond payment of \$753,000 is scheduled to be made on June 1, 2009. The bonds will be repaid from the revenue generated by operations at the Park. The bond indenture required construction of the Park to include a 105-room lodge, a restaurant, an aquatic center and conference facility, an 18-hole golf course, family and group cabins, a sewer facility, a boat ramp, and docking facilities. As of September 2007, the project faced cost overruns of approximately \$9.0 million. To meet the requirements in the indenture, the General Assembly appropriated \$8.0 million from infrastructure funds for FY 2009 to complete construction of the cabins. Of this amount, \$4.9 million was from the RC3 and the planned securitization of the remaining tobacco payments (discussed above). As of November 2008, the Department of Natural Resources anticipated completion of the cabins by May 2009. If the RC3 funding is not available, and the cabins are not completed, the State risks being in default of the bond agreement.

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